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East Europe Report



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EAST EUROPE REPORT

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CURRENT CONSTRUCTION FUNDS ALLOCATED FOR KEY EQUIPMENT, ROBOTS

East Berlin BAUZEITUNG in German Vol 41 No 2, Feb 87 pp 56-58

[Article by Chief Engineer Horst Anton, combine director of the VEB Housing Combine Cottbus and chairman of the Housing and Social Construction Product Group Association; first paragraph is BAUZEITUNG introduction]

[Text] At the end of June of last year, the Housing and Social Construction Product Group Association, the Building Academy of the GDR, the IWG and the Cottbus Engineering College organized a scientific conference, "The Development of Technology in the Housing and Social Construction of the GDR Through the Year 2000." The present issue of BAUZEITUNG includes in extracts part of the reports, beginning with the comments of the chairman of the product group association, and several contributions to the discussion. Additional contributions have already appeared in previous issues as technical articles or will be published at a later time--the editor's office.

Building is one of the noblest tasks in our country; building in our country is the especially obvious and everywhere visible realization of the unity of economic and social policy. At the beginning of the 1980's, new qualitative aspects were achieved in housing construction that are especially characterized by the transition from extensive to intensive building.

It was shown in almost all districts and in the capital city Berlin that with industrial panel construction inner-city housing construction can be mastered in high urban-planning, architectonic and performance quality. In addition, all housing combines were able to fulfill the tasks set by the party and government for the accelerated development of the capital through the concentrated utilization of materials, manpower and the best work teams.

The development of the results in the production lines illustrates the increased efficiency in production. This is seen in particular in the comparison of the labor input for a comparative dwelling unit [WE] in multistory housing construction. In 1981, the average labor input of all production lines amounted to 333 hours per WE. The difference between this and the optimum value was 46 hours. In 1985, this difference was reduced to 24 hours and the overall average for all production lines was 280 hours per comparative WE.

It is not just a matter of growth per se but of significant rates of growth in net production and labor productivity and of a substantial reduction in all types of inputs and prime costs and it is precisely here where, without going into details, the differentiation is still too great between our combines. Only through qualified management and planning at the highest level, the uncompromising exchange of experiences, and the full utilization of scientific knowledge must this now-unjustifiable differentiation be reduced in the years 1986 through 1990.

In his closing words at the 51st Plenary Session of the Building Academy of the GDR on 30 May 1986, Minister for the Construction Industry Wolfgang Junker elaborated the challenge to the building industry after the 11th SED Congress:

"It is a matter of advancing the further industrialization of the building industry at the highest scientific-technical level and of achieving higher efficiency that is distinguished by solid quality and sound urban-planning and architectonic skill and that ensures the most favorable relationship between expenditures and results.

"It is a matter of decisively raising the efficiency of building.

"Building costs must be reduced by another 10 percent by 1990, construction times are to be reduced by another 15 percent on the average, and an annual savings of at least 6.7 percent for rolled steel and 5 percent for cement is to be achieved."

The new challenges, which certainly are not easy, require concentrated work in the combines, a more effective cooperation in the "Housing and Social Construction" Product Group Association, and close cooperation with our scientific institutes and with the universities in the form that has been proved and that is to be developed further.

The following presents some of the tasks that we must face and for whose resolution the cooperation between the combines in the product group association and with our partners in the institutes and universities is especially important.

A focal point for the coming days will be the extent to which we make it possible to continue to resolve the building tasks in the inner-city areas with high quality while maintaining state standards.

We have already reached a high level of quality that is also receiving a great deal of attention internationally. But now that we have been able to achieve outstanding results in the technical and architectonic areas, it is now important to achieve these outstanding results in the economic area as well.

Ways must now be sought in all work groups that make possible more rational solutions while maintaining quality and the use value and that further reduce the expenditure of material and manpower. The palette of possibilities ranges from the preparation of production to prefabrication to the final completion work.

As early as the development of products and procedures, designs and technologies are to be chosen that can be realized with a relatively small outlay. Certainly that often also requires tough discussions with contracting authorities, discussions that we must carry on offensively, for what is most expensive is not always best and most expedient.

It is especially here where the very decisive task arises for our architects and project drawing offices to work out optimum proposals in each case.

Rational construction does not begin at the concrete factory or at the construction site but with purposeful research and development work and with the expedient use of products. The application of the latest scientific findings in our combines, including computer-aided planning and construction preparation, gives us that strength that allows us to resolve our tasks even more efficiently and with the best quality.

Decentralized computer technology--with personal and office computers--gives us possibilities for rationalizing the entire reproduction process from planning to projecting, production preparation, economic accounting and statistics and production control to the processes of management and administration.

Especially we in housing construction, through our uniform production profiles in the combines and in the combine structures, have better prerequisites than any other branch of the building industry. That is also true for CAD/CAM technology. We have taken the first steps in this area and we were already able to draw the first conclusions. Thus the approach in the Erfurt, Berlin and Karl-Marx-Stadt combines teaches that own research and development work and the task-related training of the co-workers from the beginning do not allow a passive attitude toward new technology to arise.

In any case, the necessary advanced training must be practical. The fact is that the imparting of theoretical knowledge alone is not enough. The training of designers, planners and technologists at original workplaces is absolutely necessary and an important precondition for the success of training.

One must thereby also break with conventional concepts. Schooling and training hours, for example, are to be accomplished in the less-busy second or third shifts or on weekends.

With the introduction of the state planning task "CAD Solutions for the Planning of Housing Construction in the Prefabricated-Wall Method of Construction," the first partial solutions in CAD technology are being put into practice successfully in Erfurt, Karl-Marx-Stadt and Berlin.

The Central Working Group "Project Planning" regularly organizes exchanges of experiences.

It is apparent that carefully selected partial solutions that quickly lead to a visible result--e.g. the dialogue work for the design of elements, element statistics and assembly follow-up plans--are most convincing and motivate further work. The combines previously named used the opportunity to bring

together experienced trainees and technical curiosity as well as the readiness for action of young graduates and engineers.

But we have also recognized that we cannot do without a center that carries out basic work along with management and instruction for all housing combines. This task cannot be performed "by the way" by the central working groups. For this reason, the Ministry for the Construction Industry has set forth, among other things:

For the use of up-to-date computer technology with the main effort CAD/CAM, a work and management center is to be organized in the secretariat of the product group association. The site of this special field is the Gera Housing Combine. Technical guidance is through the Central Working Group "Organization and Data Processing."

We are certain that with this measure we will work more efficiently in our product group association than before and we call on all combines to cooperate constructively.

At the 8th Building Conference and the 11th SEC Congress, it was again made clear that the broad application of key technologies is the basis for improved performance and efficiency in the coming years. That is especially true for the panel works of the housing combines.

In the past years, examples were set that are worthy of generalization. In the period 1981 through 1985, they involved 299 applications, including 79 applications in microelectronics and 220 applications for handling equipment, manipulators and industrial robots.

We were thus able to release 405 workers. The payback period of 3 years per application was thereby met. Most of the areas of operations were in prefabrication and here especially in production stages 2, 4, 5 and 7.

The leading example of Neubrandenburg shows that the developments carried out by the Building Academy of the GDR and the Institute for Technology and Mechanization with the Neubrandenburg Housing Combine on a contractual basis between the housing combine and the Building Academy are the right way to make important research tasks of the highest economic utility and broadest effect for building practice effective in production quickly.

Such important new developments as the microelectronic control of the heat treatment of concrete elements in the single-opening tunnel as well as its modification in use and the corresponding process measuring and control technology for all heat-treatment installations mean that the requirements of the TGL 33 413 can be fulfilled and that the observance of the heat-consumption standard is no longer a matter of technology.

The leading example of the Neubrandenburg Panel Works shows us that through the concentrated use of forces under uniform management even the most complicated tasks can be resolved effectively.

We must thereby proceed from the prerequisite that the largest part of the equipment is to be made available through our combine's own rationalization building. Problems in providing such key equipment as hydraulic parts, drive motors, electric material, etc. are to be resolved centrally through funds allocations with the annual planning.

Good examples already exist in the Erfurt, Magdeburg and Neubrandenburg housing combines for the broad introduction of CAD solutions for the monitoring, control and coordination of production processes while considering the "Prefabrication" control system supported by automatic machines. It is important to generalize these good examples quickly. The application of outstanding solutions and key technologies in the scope of our product group association is still based on insular solutions. To establish prefabrication lines requiring few operators, however, the complex utilization of industrial robots and handling equipment must be implemented. Three important complexes are indicated here:

1. The automation of quality assurance and the use of effective control, test and measuring techniques as the indispensable precondition for a stable quality production must be implemented without fail.
2. In reinforced fabrication, the individual work steps--steel cutting, reinforced fabrication and completion--are to be linked to automated production. There are already examples internationally in which steel-treatment processes are fully automated.
3. The complex stacking, storage and delivery of prefabricated concrete parts is also to be included in production control and gradual automation.

A characteristic feature of the developed socialist society is that it is in a position to combine the organic context of the scientific-technical revolution with the advantages of socialism. By providing for a broad application of outstanding scientific-technical achievements and progressive technologies, making intensification comprehensive, and creating stable bases, we are ensuring the realization of the economic strategy for the coming years. That is the most important way for us to fulfill the demand for construction with the least expenditure and thus to meet the goals set by the party and government.

The directive of the 11th SED Congress on the 5-year plan for the development of the national economy in the GDR in the years 1986 through 1990 states under Point 6, Development of the Building Industry:

"The research and development capacities are to be concentrated on raising economic and social-policy efficacy for the establishment of a sound scientific-technical advance." We consider this task to be especially important, for in solving current problems we are constantly in danger of not establishing the preconditions for future production.

So it is now important to acquire the scientific, technical and economic bases for a high-quality production after 1990.

Certainly there is still much to be discussed in this connection but we believe that we must prepare truly new solutions in design and technology for housing construction independent of any constraints. With its design, its prefabricated parts and its technology, it has been almost 20 years since the development of the WBS 70 and it can no longer be the only standard for the work after 1990.

We ought not always merely reconstruct old technology by referring to existing equipment and existing designs.

For this reason, our building academy consequently included the completion of functional-model structures in the state plan theme for the further development of housing construction after 1990.

In the defense of the overall-duties book before the Ministry for the Building Industry by the Building Academy of the GDR in May 1986, in which the preparation and realization of three functional-model structures are included, it was established that, on behalf of the Ministry for the Building Industry, the regional building authorities act as contracting agencies and three housing combines act as main contractors, who, in turn, are to enter into the appropriate coordination agreements with their scientific partners, the Building Academy of the GDR and the universities. The current situation is characterized by the presentation of duty books for two functional-model structures in Leipzig and Cottbus.

Overall it seems to me that a fundamental discussion between scientists and practitioners is indispensable for the years after 1990.

At this point, it should again be pointed out that for the rationalization of the development of methods all housing combines must feel fully responsible by 1990.

To fulfill this task, we must do more than we have so far to sign specific contracts with the scientific institutes and universities. In this connection, we prepared the regulation in copy No 7 in 1984 and, in evaluating the experience to date, we must bring these regulations up to date and then apply them much more than we have heretofore.

It is a matter of ensuring the unity of the development of products and processes and of recovering from the backwardness that we still have in process engineering today. This is quite clear in the case of the outer walls.

Here we have a very good design, only we have not shown the same care in developing how this relatively complex structural part is to be fabricated.

The problems that we currently have with the outer walls are explained almost exclusively by the lack of mastery of process engineering. We are now beginning to solve problems that had to come in the development of the outer walls. We also see similar things in assembly technology and in the case of assembly aids that have scarcely been further developed in the last 10 to 15 years.

In conclusion, the five most important tasks for the near future are summarized once again:

1. The fulfillment of the plan is to be ensured continuously in all parts with the least expenditure. It is important to raise further the achieved rate of development in the housing construction of the GDR. The accelerated development of Berlin, the capital of the GDR, is thereby in the foreground.

2. Inner-city housing construction is to be further developed. That is especially true in the economic area. In prefabrication, up-to-date processes are to be employed for the rational production of a variable assortment of elements.

3. The examples of the use of microelectronics and robotics developed as leading examples in the panel works of the Neubrandenburg Housing Combine with the Building Academy of the GDR in preparation for the 11th SED Congress must be transferred to other panel works quickly and without delay.

4. CAD/CAM technology is to be further developed and applied in complex housing construction in well-organized and managed socialist teamwork in the scope of the product group association.

5. The efficiency of the work must be further increased continuously. It is important to carry out measures for the

--reduction of the use of materials and man-hours, for the

--better employment of fixed capital and for the

--avoidance of losses of any kind.

With their action, the working groups in the "Housing and Social Construction" Product Group Association will contribute to the more rapid, better and more efficient resolution of the tasks in complex housing construction in the coming years, thus making their contribution to the resolution of the housing question as a social-political problem in our country through the year 1990.

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INDUSTRIAL ENTERPRISE INDICATORS

Industrial Enterprises View Future

Budapest HETI VILAGGAZDASAG in Hungarian 22 Nov 86 pp 50-53

[Article by Gyorgy Rozsahegyi: "What's In The Cards For Tomorrow?"]

[Text] "How do you view the prospects of domestic prosperity within the next 10-12 months? What is your economic situation and market position?" The Institute on the Industrial Economy has recently asked these questions from 229 industrial enterprises. The respondents constitute a representative sample of all industrial enterprises. This method of forecasting became a tradition during the past several years and is based upon questionnaire methods being used in international economic opinion search projects. Aside from recording the opinions of various enterprises, the forecast provides a basis for the analysis of long-term phenomena.

Considering their short range prospects, Hungarian enterprises view their situation both in the domestic and in the international markets as stagnant as of 1986. They do not expect substantial changes in 1987. They predict increasing difficulties with respect to domestic procurement--an increase in quantitative and qualitative deficiencies and a further decline in supplies. Paralleling this expectation, they anticipate a strong increase in domestic price levels. Similar tendencies manifest themselves with respect to the enterprises' own ability to supply, which too is stagnant or is on the decline. They hope to be able to at least moderately increase their prices. In the domestic market enterprises plan to be engaged more actively in the satisfaction of institutional customer demands, while there are no plans for increasing supplies to other domestic buyers.

Certain small differences may be found within this general trend. The clothing industry, and within that the textile clothing and piece goods industries, as well as the mass-production metal working industry plan for the expansion of domestic supplies. Electronic equipment and durable consumer goods manufacturers will reduce their production for the domestic market. Beside other factors, a reduction in domestic demand also substantiates the enterprises' forecasts. This relationship between industry and the domestic

market, however can best be explained by the difference between what is being supplied and the choice of merchandise that is being demanded. Enterprises are capable, or are willing to supply reduced quantities only of what is in demand in the domestic market. And in the reverse: whatever is being supplied by the enterprises meets a shrinking demand from within the commercial sector.

1985 Industrial Production Compared to 1984 (constant prices)	
	Percent
Mining	102.5
Electrical energy	102.9
Foundry	98.8
Machine	104.1
Building materials	96.2
Chemicals	100.9
Light industry	99.6
Other	98.3
Food	98.6

1985 Industrial Enterprise and Cooperative Achievements Compared to 1984	
Mining	117.7
Electrical energy	115.0
Foundry	63.8
Machine	117.9
Building materials	84.2
Chemicals	109.7
Light industry	113.5
Food	101.2

Parallelling the decline in both supply and demand, there is an increase in unsatisfied demand for which payments would be available. This indicates that industry's motivation to accomodate domestic demands is of low intensity. One could assume that qualitative improvements in the fundamental relationship between industry and domestic commerce--e.g. the introduction of mutual risk assumption and the establishment of commercial credit practices--would effectively influence the attitude of industrial enterprises on the one hand, and would tend to substantially modernize domestic commercial practices.

During the past 18 months the volume of convertible exports was established primarily by the size of the available inventory. The reclassification of products during the process from one group to the other became characteristic: it appeared with increasing frequency.

Enterprises had indicated in 1985 that in the developing regulatory and economic environment their short-range liquidity was deteriorating, and that transactions with shippers and buyers that were tied to deadlines were

becoming confused. In 1986 the phenomenon of continuous insolvency has increased, and has affected enterprises in a larger number of industrial categories. Measures taken in the interest of maintaining a balanced state budget, and especially the increased volume of withdrawals from profitable enterprises to subsidize non-profitable enterprises resulted in both a horizontal and a vertical enterprise indebtedness process. In other words: enterprises remained indebted to the state and to each other for extended periods of time. Half of the 229 enterprises polled views its operations as endangered because of shaken short-term liquidity. They report significant deteriorations as compared to the previous year, and consider general payment problems in 1987 as likely.

Modifications in the credit system could moderate the rate of increase in financial disturbances experienced by enterprises. Industrial enterprises do not count on near-term improvements in access to credit, however. At most, only one-fourth of the enterprises polled hopes to be able to obtain financing for some or all of its investments. Such financing processes have already been initiated. Similarly, one-fourth of the enterprises polled predicts that credit will be beyond their reach.

Enterprises generally view their situation as unfavorable and do not expect substantial improvements in 1987. Forty-four percent of the enterprises expect small or large deteriorations in their positions. According to these enterprises, in this respect the continued shrinkage in production resources plays a role. From among these production resources they single out the manpower situation as the worst. Fifty-two percent of the enterprises anticipates further reductions in the number of employees. Although the rate of manpower decrease is viewed as insignificant, these enterprises predict that deterioration in the combination of needed expertise will increase at a faster rate.

Materials supply also plays an important role in judging short-term production processes. Materials supplies are available in limited choice and in limited quantities only. This means a decreased inventory, insufficient to maintain normal, continuous production. Enterprises thus make a serious effort to accumulate materials partly to fill their storage facilities, and partly to fill gaps in their production processes.

Fifty-two percent of the enterprises show small or large changes in manufactured product selection choices. With respect to these selection choices, products that can be manufactured by enterprises on their own are determinative: 80 percent of all products fall into this category. The manufacture of products previously produced by other domestic enterprises is characteristic of newly independent enterprises and of affiliates. It may be assumed that the original manufacturers had given up with the manufacture of those products. It is noteworthy that regrouping among manufacturing enterprises occurs on a small scale and is limited to a special group. Products frequently disappear from the market once their manufacturers discontinue production. Considering the average lifetime of domestically manufactured products, this might be viewed as a welcome phenomenon. There should be second thoughts however if one considers that among the discontinued

items there is a rather large number of "young" products, the production of which was deemed to be uneconomical by their manufacturers under actual economic conditions.

Some long-established products had reappeared on the market as self-developed products, incorporating some modifications and under a new name, nevertheless with a much higher price tag. This practice has been familiar for quite some time. At this point it merits attention only because the practice had survived under changed circumstances also, in fact it has spread. By all means, this phenomenon demonstrates the peculiar contradiction that rests in regulations on the one hand, and practical considerations, on the other. Modernization has become either impossible, or is beyond financial reaches, while all agree that the product is needed.

The practice of self-developed products does not indicate an adjustment to market conditions. It is precisely the opposite. Domestic demand enables a rather large group of enterprises to recover income that had been lost in the real market place by fixing, adding-to and by re-naming old products. Domestic commerce really does not have either the positive, or the economic coercive influences at its disposal. Commercial credit and mutual risk assumption would be considered as positive influences, while the rejection of unreasonable price increases and the enforcement of quality control, among other means, would be viewed as coercive economic influences. To top it off, the internal conflicts of the more or less separate, specialized regulatory system that governs domestic commerce makes it specifically advantageous to enterprises to continue their practice of "diluting" selection choices. And this is how this peculiar mode of cooperation between manufacturers and merchants within the Hungarian economy delays the increased pace of modernization of the productive structure.

Development of products subject to licencing or to "know-how" [sic] has its own peculiarities, quite different from those of the self-development process. On the one hand, the technical/intellectual developmental source is decisively western in origin. On the other hand: the number of products adopted from CEMA member nations is rather small. Among products adopted from CEMA nations, parts and semi-manufactured products dominate. At the same time the products of western origin are destined to be exported partly to capitalist nations, partly to socialist nations.

The greater part of these exports however, does not increase the price levels of Hungarian export firms. The process enables an increase in the quantity of exported products. It would seem that a large part of these modern products remains outside of the domestic economy, and bears little influence upon the improvement of domestic commercial standards, e.g. with respect to state of the art, quality and aesthetics.

It is in this way that two methods of product development i.e. self-development and licencing know-type development run on parallel courses without exerting influence upon each other. The deficient standards of self development are thus being offset by the purchase of licences and know-how, even though the products of the latter method do not constitute a competitive challenge to self-developed products, either with respect to

quality or to prices. The practice that has evolved would probably change gradually if domestic commercial enterprises would purchase a few western licences and some know-how, and would transfer those assets to producers in the framework of joint ventures. This would improve the state of the art of domestic selection choices and would result in a closer link between self-development and western transplants.

Taxes, Tax Bases

Budapest HETI VILAGGAZDASAG in Hungarian 22 Nov 86 p 50

[Article by Gyorgyi Kocsis]

[Text] The English term "non-event" refers to social or political happenings that end up having no merit. Last week's "Regulatory System '87" meeting convened by the Hungarian Economic Society [MKT] turned out to be such a non-event. As each year before, its purpose was to present Ministry of Finance and Wage Office officials to provide first hand information on actual changes in regulations and their underlying considerations. The rather large audience had been recruited mainly from enterprise-economist circles.

Indeed, it would have been difficult to make this meeting eventful. After all, enterprise managers already have been able to familiarize themselves with new and changed provisions by reading the October 31 issue of MAGYAR KOZLONY. The fact that the economic philosophy and the system of values supportive of the system remain essentially unchanged for 1987 became so obvious in the course of the past years that it would have been difficult to say anything new about it.

To their satisfaction, chief accountants were able to learn that this year they would have to familiarize themselves only with a small number of low caliber regulatory changes. This is so, because for the first time in many years, last year's system of taxation applicable to enterprises will survive the New Year structurally intact, and with unchanged rates. The main elements of enterprise income regulation-profit, estate, wage and accumulation taxes-remain unchanged in 1987, even though rules for earnings taxes will become more stringent.

An outsider may think that enterprises rejoiced when told that withdrawals would not increase in 1987-but on this occasion there was no trace of joy. Everyone likes to vocally express outrage. But here, the audience was silent, they did not rejoice, and their silence did not signal a quiet acknowledgement of a favorable turn in events. There was no joy because some of these firms-the profitable ones that have funds at their disposal to pay taxes from-could not even imagine that in light of past fiscal policies their tax burden would once again be increased. Once again-who knows, for the umpteenth time-the formula became clear at the MKT meeting: while previous budgetary deficits had mounted to inconceivable heights, the enterprises now must understand that in 1987 the tax collector will drain their resources beyond tolerable levels.

The money--the profits withdrawn from producers--does not get lost, of course. It merely transforms itself. As discussed at the meeting, it transforms itself not only into budgeted investments in health, education, culture, infrastructure and similar items, but mainly into the financing of uneconomical production. It is a fact that between 1984 and 1986 production subsidies had increased by 50 percent.

The meeting once again proved that although the state has virtually removed itself from financing a list of needs that were originally slated for central financing, simultaneously it had created a pervasive regrouping of income among producers. Thus the weight of the state budget is much heavier than in capitalist market economies that are based on independent enterprise. (HETI VILAGGAZDASAG, Oct 18, 86). The expense side of the budget and its variations, in other words the allocation and purposes of state fund expenditures, thus reflect economic policy, and is not merely a financial tool, the conference was told.

The M&T conference recognized that a renewed taxation system by itself will not be able to remedy the complaints of enterprises, or in a larger context, the stalemate of the economy as a whole. True: the planned tax reform will immensely clarify the picture by distinguishing between efficient operations and losing operations, and by facilitating the understanding of economic processes. This will be accomplished by virtue of the joint effect of the value-added tax in the business sphere and the individual income tax within the personal sphere. But this in itself will amount to no more than a shift in tax base: part of the taxes will not be directly paid by enterprises, instead they will be paid by individuals. But this will not increase the funds available to enterprises. Under the present, but by far not unchangeable system of income redistribution, the already large, and ever increasing amounts needed by the state can only be satisfied by maintaining today's high rate of taxation. This became evident from what had been said at the conference also. It follows then that the level of taxation can be reduced only by changing the system of redistribution, and by changing the role of the state budget in the system of redistribution. Such changes, in turn, would demand measures that would well transcend the functional reach of the taxation system and of economic regulations.

Using 'Entrepreneurial' Excuse

Budapest HETI VILAGGAZDASAG in Hungarian 22 Nov 86 p 51

[Article by Pal Emod]

[Text] By now it comes as no surprise that at a conference pertaining to enterprising, speakers as well as the audience use the chosen topic only as an apropos to discuss subjects that are more favored by all: economic over-regulation, lack of profit motivation, curtailments in enterprise autonomy, the mandatory waste--in other words the weaknesses of the regulatory system. The situation was no different at a conference organized by the Scientific Society of Organization and Management [SZVT] at Pecs entitled "The Conditions and Risks of Enterprising."

Although both the narrow and the broad definitions of the term "enterprising" evoked some debate, many accepted the opinion expressed by Marton Gyorgy Nagy, Deputy President of the Trade Enterprise for Mass-produced Ironware [VASFIRT]. The essence of enterprising, according to Nagy, is to achieve profits by combining resources. But resources are limited, and the regulatory system makes enterprises interested not in profits, but in bargaining how to obtain benefits and how to reduce withdrawals. And the free combination of resources is hindered by the fact that even within Hungary the forint is not "convertible" because enterprises cannot spend their money the way they want to. An example for these obstacles is that enterprises prefer to lease machinery rather than to invest into the same, because the latter would weigh heavily "only" on the expense side, and would not show up as vested funds. It is possible that by leasing the enterprise spends twice as much money, nevertheless regulators push entrepreneurs in that direction.

The situation is the same with respect to wage management. Rather than paying 100 forints in wages, it pays off to pay 500 forints under contract for a given work assignment. In other words: regulations frequently instigate waste, and as long as the "internal convertability" of the forint will not be matched by true enterprise autonomy, it will not be worthwhile to talk about enterprising. This is how several individuals from Pecs defined the problem.

Laszlo Fodor, deputy secretary general of the Hungarian Chamber of Commerce linked weaknesses in entrepreneurial inclinations to the fact of an undeveloped market. What could motivate enterprising if the market does not work, if there is no competition, he asked. His response: we need an economic environment in which enterprising is not only possible, but in which it is necessary to develop an enterprising style of management. Accordingly, in today's situation the economy lacks the coercive force that renders technological development activities or the improvement of services as life and death questions. And then, unfortunately, the outmoded, dusty products still remain saleable. (It is not surprising that according to 1984 data, various individual products in Hungary had been manufactured 14 years ago, in the average.)

Entrepreneurial inclinations are being similarly retarded by the base regulations which act as a "stroke of fate." "Businesses become interested in withholding production as long as next year's production plans must be tied to the previous year's accomplishments," according to Fodor.

The conference also revealed that it is difficult to create a clear situation as long as the role of the bank and of the budget gets mixed up. I.e. the budget finances (supports?) the enterprises, and rather than providing credit the bank is forced to accept the thankless task of regulating purchasing power.

Perhaps the new system of enterprise taxation to be introduced in the future will help establish clarity with respect to the situation, according to Laszlo Antal, deputy director of the Financial Research Institute. Namely, the value-added tax is not suitable for the continued support of unprofitable enterprises and industries. Equally, the value-added tax is not suitable to regulate purchasing power, because it conveys a system of values and relative strengths that have been shaped by market forces.

Budapest HETI VILAGGAZDASAG in Hungarian 22 Nov 86 p 52

[Unattributed article]

It would not be an exaggeration to say that economic management nowadays holds its breath as it watches, as it records minute by minute the way Hungarian foreign trade processes take shape during the remainder of the year. This "special watch" is characteristic of every year, but this year, perhaps, it is more intensified than ever before. And there is good reason for this. The basis of this observation may be found among other things in last week's informative briefing provided to the economic section of the Hungarian Chamber of Commerce by deputy minister of foreign trade Imre Dunai.

During the first nine months of 1986 the convertible foreign trade balance on a contractual parity showed a loss of 420 million forints, one could learn at the briefing. The reasons for this deficiency were explained by the deputy minister as follows: the drop in oil prices on world markets caused a loss of anywhere between \$60 to \$100 million to the economy; this year, just as for the past several years, Hungarian agricultural export products recorded a 5 to 10 percent loss in world market prices; the demand by oil-producing nations with an ability to pay has weakened, even though these markets had been receptive before; import restrictions related to the Chernobyl nuclear catastrophe directly decreased Hungary's export income by about \$20 million; the increase in coffee prices caused an additional outflow of about \$60 million.

All of these factors had been aggravated by the fact that within a year the U.S. dollar lost about 40 percent of its value as compared to West European currencies, while well over half of Hungary's exports to capitalist nations, and a smaller portion of Hungary's imports from capitalist nations is being accounted for in U.S. dollars. From Hungary's viewpoint, the combined effect of these factors is an approximate 6 percent exchange rate deterioration during the year, which translates into a net loss of \$250 to \$300 million. That amount is equal to the combined losses suffered by Hungary due to exchange rate deteriorations during the past four years, according to Dunai. He added: transactions accounted for in rubels are not worry-free either. The situation presented there is the opposite of what we find with respect to capitalist nations. A decreasing interest in imports and an increasing interest by enterprises to expand their exports causes headaches.

These trends had been recognized already at the beginning of the year. Nevertheless the actions taken since early spring to reverse these trends had been insufficient, the Chamber of Commerce was told. Dunai reminded the audience that during the year the forint had been devalued by 12 percent altogether, as compared to the average convertible currency; that producers had received financial incentives to use their days off for production destined for convertible exports; and that a system for tender bidding had been initiated to aid export development. At most, these measures yielded added convertible exports amounting to \$200 to \$250 million, offsetting only in part the export losses suffered. In terms of planned export levels they did not constitute a surplus.

In terms of 1987 projected convertible exports, the machine, light and foundry industries are expected to do most, Dunai said. Due to the 1986 drought they are counting on a decrease in food product exports in 1987.

Dunai called attention to the fact that there is an important new feature with respect to exports accounted for in rubels. For the first time in 12 years one may count on decreases in Soviet crude oil prices.

The regulatory structure governing convertible exports remains unchanged. The government endeavours to assure the improvement of the relative profitability of convertible exports as compared to the other two market spheres, namely the domestic market and the rubel export market, by jointly adjusting the regulation of prices and finances. The regulators promise to substantially reduce red tape with respect to export tenders. Beside watching the numerical ratio of exports and imports the ministry will also have to assure the timely interaction of exports and imports.

Enterprise representatives had not much to add to this inventory of foreign trade policy, except for the frequently heard complaint that delays in the import of equipment and materials that can be obtained from capitalist nations only do have an occasional paralyzing effect on the exports of enterprises that depend on such equipment and materials. The strengthening of the cooperative inclinations of producers holds the solution to this problem, Dunai countered. The response from the other side of the table, however, indicated that enterprises often do not consider each other's needs because existing regulations provide an incentive for independent, direct exports by enterprises. But as the facts show, the latter had failed to sufficiently materialize, in spite of all the efforts exerted by the ministry.

12995

CSO: 2500/113

POLL GAUGES ATTITUDES TOWARD FREE MARKET, EGALITARIAN ECONOMY

Warsaw RZECZPOSPOLITA in Polish 13 Feb 87 p 3

[Article: "Desired Economic Order: Comprehensive Sociological Research, Support for Effectiveness Principles"]

[Text]: There is a widely-held conviction that Poles are strongly egalitarian. We supposedly prefer to all have less but equal. We are bothered by external signs of wealth: houses, exclusive cars, and foreign travel, especially if they are not ours. At the same time one frequently hears verbal support for the principles of a free-market economy, but how does one reconcile this to the opposition against price increases and wage pressures, which often take on the nature of pretentious attitudes?

One of the goals of the research conducted by Lena Kolarska-Bobinska under the auspices of the Interministry "State Functioning and Political Culture of Polish Society" program was to learn the characteristics of the economy that Poles would like to see, to determine the extent to which their portrayals form a cohesive vision.

The persons surveyed were asked this question: There are views about the health of our economy. To what extent do you agree or disagree with the following views? Do you think that for the economy to work properly:

The influence of employee self-management groups on the economy should be expanded,

Directors' independence in running enterprises should be expanded,

The rule of the market and competition should be introduced into the economy,

Unemployment should be permitted,

Only the central authorities should be allowed to set prices,

All wages and salaries should be increased,

People should be permitted to travel abroad to work.

The principle of introducing into the economy the rights of competition and a free market expressed in the most general terms received the greatest support. Despite the fact that in practical terms few of those surveyed had direct contact with a free market economy, there is a definitely positive association with this concept. Sociologists describe this phenomenon as the myth of a market that is to insure a high standard of living, but we tend to pay attention to only one side of the coin. A free market economy in our mind indeed is associated with full shelves in the stores, a consumer model of life, but the issues of unemployment and the absence of a sense of social safety do not seem to be included in our field of vision.

Proof of this are responses to the next question: To what extent do you agree with the following principles?

Limiting the earnings of those who make the most,

Differentiation of earnings based on qualifications,

Firing ineffective employees,

A policy of full employment,

Increasing the possibilities for the private sector to operate.

Many of the respondents were inconsistent in their answers. Although 81.9 percent of the people surveyed supported firing inefficient employees, only 34.4 percent were in favor of permitting unemployment. Nearly 60 percent of those surveyed support the development of the private sector. There is a clear decline in the acceptance of egalitarian principles. People are beginning to treat differences in earnings resulting from qualifications and the contribution one makes to the job as manifestations of social justice. Support for limits on the earnings of those paid the most dropped from 90 percent in 1980 to 56 percent in 1984.

The sociologists explain that the economic crisis brought people to the understanding that changes were necessary and to the conviction that a nationalized egalitarian economy is inefficient, in large part as the result of publications popularizing the economic reform. At the beginning of the 1980's, it was characteristic for people's views of the socioeconomic order to lack cohesiveness. Acceptance of egalitarian principles does not preclude the acceptance of principles of effectiveness. The rise in support for a nonegalitarian model is accompanied by a greater consistency in views. Today there is greater recognition of the need for choices. All those surveyed support self-management regardless of the type of leadership or economy for which they are responsible.

10790

CSO:2600/425

'POLONIA' FIRM REPRESENTATIVES MEET WITH OFFICIALS

Warsaw POLITYKA in Polish No 7, 14 Feb 87 p 5

[Article: "Officially This Road Does Not Exist"]

[Text] Who is it that does not like Polish emigre companies? Government companies. But if you would sit representatives of both down at a table to get a look at the true situation, what would happen? It would not be bad also to invite representatives from plant party organizations. And maybe add somebody from the highest echelons. That would really be something!

And it was. Such a meeting was set up on 3 February at the Plastomed foreign enterprise in Warsaw. The well-worn term "Polish emigre firm" does not fit very well. Very often the foreign small manufacturing firms have little to do with Polish emigres. Plastomed belongs to the Med-Plast GmbH company in the FRG. Directors and secretaries of the basic party organizations of the 100 largest Warsaw employers were invited along with representatives of the PZPR City District Committees and Warsaw Committee.

First a tour along with an account of the company's short but stormy history. Plastomed was formed in 1981. It produces medical and laboratory apparatus, as well as chemical medical reagents, and it also services medical apparatus. In 1981 it had 15 employees and trade turnovers of 1,930,000 zloty. Today there are 392 persons working there, and the value of production and services in 1986 amounted to nearly 1.5 billion zloty. They began producing throw-away plastic laboratory dishes. Now they produce, among other things, blood analyzers and oxygen-content indicators used in incubators for premature babies.

The electronic analyzer for the acid-alkaline balance of blood is a device which costs from 12,000 to 13,000 dollars abroad. Domestic customers can buy them at Plastomed for about a million zloty. That is less than 100 zloty on the dollar. The oxygen indicator costs 64,000 zloty. It prevents an overdose of oxygen in incubators. An overdose can cause a blindness in a child 2 years later. This occurred in Poland in up to 500 cases a year.

Plastomed also produces precise laboratory dispensers. Everything that is produced here makes expensive imports of like items unnecessary. This applies most frequently to the health service. In addition the company exports to 15

countries, including five in the West. In 1986 the value of exports totalled nearly 850 million zloty, including nearly 55 million to countries in payments area II.

What else? The company's elegant building was constructed in a large field in [the Warsaw suburb of] east Zeran in 16 months. Out of a workforce of 392 persons, 115 are college graduates. In 1986 pay averaged 48,400 zloty. Employee earnings increase each year in keeping with the rise in the cost of living according to the GUS index. Labor productivity is rising far more rapidly than wages. This is just the opposite of what is happening in the socialized economy. Is this enough to get anyone from a state enterprise worked up? It is. On with the discussion.

Andrzej Czernecki, director of Plastomed, gets the discussion going. He says what they have managed to achieve. Among other things, high quality. In a single plant you cannot have two quality-control systems, one for domestic and one for export. You cannot produce part of the goods well and part badly, or else there will be some bad in with the good. It is not true that in Poland it pays to produce simple things for export taking advantage of the fact that labor is cheaper. The labor costs have to be figured in relation to productivity and quality. Production that is complicated and requires high qualifications is really profitable. It is the specialists in Poland that are relatively cheap, not ordinary workers. In addition, it is not the price that wins out in foreign competition. A small company's opportunities lie in finding a gap in the market, in constructing the sort of equipment that the large companies do not bother with. Plastomed managed to do this. There are possibilities for substantial development of exports, as well as for production on the domestic market.

Theoretically, because in practice the company's developmental aspirations are rather effectively thwarted by the tax system and the administration's resistance. Income tax takes about 70 percent of the profit, and this fact paralyzes investments. Attempts to gain exemptions to which the company is entitled as an exporter are futile. For 4 years they have not been able to get the administrative officials of the North Praga and Capital Department of Architecture to approve the site of a new chemical reagent plant. This plant is to sit next to the present building. The officials argue that there is no access road. "What do you mean there isn't?" Plastomed counters in surprise. "After all, we built one." "Yes," the officials reply, "but officially that road does not exist." Officially there is no road, but in actuality there are no chemical reagents for which the medical and pharmaceutical industries are waiting.

Many questions came up in the discussion. The economic situation of a foreign enterprise was compared to that of Polish state enterprises. The director of Kasprzak told the Plastomed director: "I will buy your problems in exchange for mine."

Indeed, in certain ways the foreign firms have better conditions. For example, they have greater possibilities for increasing wages. They must sell 50 percent of the foreign exchange they earn, but if you look at it from the other side, they keep 50 percent for themselves.

Somehow, though, we have to attract foreign capital to Poland. Tadeusz Kaminski, chairman of Interpolcom (Polish National and Emigre Chamber of Industry and Trade), talked about this. The thrust of his statement can be summarized this way: Capital cooperation is an inseparable and necessary element of today's international economic relations. Almost all the socialist countries are involved in such cooperation, but this form can be used well or poorly. Up until now we have not been skillful in this regard. During the past 5 years we have changed the regulations on the operation of foreign enterprises three times, each time to their disadvantage.

Well-known problems were brought up in the discussion, but we also learned many interesting things about Plastomed itself and matters related to foreign companies in general. The most interesting, however, was the fact that the meeting was instigated by the PZPH Warsaw Committee. For 3 years it has been setting up what it calls "economic laboratories," where representatives of employers in the capital can become acquainted with current economic problems live. Such meetings have been set up in state enterprises. Now it is the turn of a well operating useful foreign firm.

When I went to Plastomed, I expected heaven knows what, but although it was indeed interesting, it was normal overall. And this is an optimistic feature. Maybe at last the problem of foreign companies will become normal, they will become more common, and they will become the subject of ordinary economic calculation and not the source of emotion.

10790
2600/425

DEMOGRAPHIC CHANGES FORECAST BY PLANNING SCHOOL SPECIALIST

Warsaw SLOWO POWSZECHNE in Polish 24 Feb 87 p 3,4

[Interview with Prof Dr Hab Jerzy Holzer, affiliated with the Institute of Statistics and Demographics, Main School of Planning and Statistics (SGPiS): "For the Moment We Are Ageing" by Greta Dyjas]

[Text] What with the demographic picture of Poland be like in the year 2000? What do the forecasts say? How many of us will there be? Will there be new great urban or industrial areas? What sort of population movements are anticipated? Will the structure of employment change?

We are going to talk to Jerzy Holzer of the Institute of Statistics and Demographics of SGPiS in Warsaw about these and other questions.

[Question]: Professor Holzer, what are forecasts and how are they formulated?

[Answer]: We need to make a distinction between a forecast and a simple projection, which is a formal extension of existing trends into the future. On the other hand, we can talk about a forecast when we are seeking specific conditions for demographic processes, envisioning both the changes in these conditions and the changes in the demographic processes themselves. In constructing demographic forecasts three constants are taken into account: anticipated births, the level of the mortality of the population, and population migration.

[Question]: To what extent are demographic forecasts correct?

[Answer]: It varies. There is difficulty assessing changes in the number of children per mother. In developed countries where the market is saturated, these trends are constant. This is not true in our country. For example, during the socioeconomic crisis in 1981-1983, when social life broke down, there was a return to the family. Naturally the paid parenting leave supported this. In 1982, 800,000 women became mothers, and by 1983, 78,000 more.

On the other hand, in 1986, when the benefits from 4 years before stopped, there was a clear drop in births. The substantial devaluation of money kept these benefits from having significance as an important incentive.

[Question]: The research conducted shows that modern women want to have a maximum of two children. Does such a trend assure us of a favorable rate of reproduction for the Polish population?

[Answer]: No. We start with the hypothesis that to maintain a birth rate to insure at least the simple replacement of generations requires a coefficient of from 2.15 to 2.2 children per woman of childbearing age.

For this reason, the legislation regulating state social benefits favoring families raising children needs to be basically changed. The system of family benefits for families with many children and single mothers should also be monitored. Similarly, the system of social benefits for college student families also needs to be improved.

[Question]: What sort of social policy should be conducted to prevent adverse reproduction trends?

[Answer]: Several issues need to be addressed. First, extension of maternity leave and vacation, and the introduction of paid leave to care for children until the youngest child is 3 years old. The extension of the possibility of the mother's taking a part-time job or working at a job at home. The creation of priority for mothers to choose their working hours and, in the case of shift work, to try to eliminate night work.

[Question]: What is the mortality rate like in Poland compared to other countries?

[Answer]: Back at the beginning of the 1970's, when we compared Poland to ten selected European countries representative of the entire continent, Poland had a low mortality rate for the diseases of civilization and a high rate for other causes of death, along with a high general average. By the 1980's there had been a great increase in mortality for the diseases of civilization affecting the circulatory system in all age groups. A general worsening in the health of the population of Poland was noted.

There is also the phenomenon of the overmortality of men. We are in next to last place in the socialist community. Hungary is last. The Hungarian demographers are of the opinion that their society is being overworked. The average Hungarian works more than 12 hours per day, chasing the strong currency that the forint has now become. This naturally is happening at the cost of free time and reasonable recreation and leisure.

Let us go back to our conditions. The forecasts show a continually rising mortality rate. Over the past 15 years, average life expectancy in Poland has clearly declined for both sexes.

[Question]: Can this process be arrested?

[Answer]: To reduce the mortality rate it is necessary not only to increase the operating effectiveness of the public health system but also at the same time to expand intensively its material base.

Up until now we have managed to slow infant mortality. At the present time we have 18 deaths per 1,000, which even so is three times that of the Scandinavian countries, where this index is six per 1,000.

[Question]: Taking all these conditions into account, how many of us will there be in the year 2000?

[Answer]: The population of Poland in the year 2000 is expected to be about 39 million.

[Question]: What will the age structure look like? Let us start with young people.

[Answer]: The number of children aged 7-17 falling in the decade of compulsory education will reach 5.8 million, but in 1990 it will be 7.1 million. Right after that there will be a clear decline, and the next increase will come in 2005-2010. In this connection, there is urgent need to increase investment outlays for elementary and secondary education. A suitable program to expand the material base and train appropriate teaching staff needs to be carried out right away.

[Question]: What sort of society are we, young or old?

[Answer]: We are a rapidly ageing society. In 2010 there will be 22 people in retirement in urban areas and 32 in rural areas, for every 100 residents. The incessant process of ageing of the population in Poland creates the need for a systematic increase in outlays for pensions and retirement pay and for public health.

[Question]: What should we do in this connection?

[Answer]: We should greatly increase on a national scale the number of boarding house and hospital places allocated for older people who are alone or not very well. We need to expand rapidly the appropriate material base, the great lack of which is generally noticeable. Needs in this area are estimated at about 180,000-250,000 places even by 1990.

The necessity of living independently in a separate apartment, for an ever increasing number of older people, will be dependent on access to housing adapted to the special needs of people with restricted capabilities. In 1990 the needs for specially adapted apartments will approach 200,000 dwelling units.

This process of ageing of the population will cause the pressure on public health to increase considerably. It may be anticipated that in the future there will be an increase in physicians' house calls and a rise in the services rendered by general and special clinics and by emergency units. The development of preventive medical care should be demanded.

Considering the question of a constant revaluation of pensions and retirement pay, we should look at the ethical aspect of the issue. The revaluation of

these benefits must not be treated as charity. It is the duty of a civilized society to insure a decent living to people in their third stage of life, especially when they have worked hard earlier.

[Question]: Will the demographic map of Poland change?

[Answer]: There is the anticipation of growing tendencies for the population to migrate from country to city. Even today we can point to empty areas threatened with minor demographic development. Bialystok, Bielsko-Podlaska, Cieszanow, Lomza, Siedlce, Sieradz, and Zamosc Voivodships have depopulation tendencies. In order to slow this phenomenon, a program of development of the regional infrastructure and its most rapid possible implementation are necessary.

[Interviewer]: Thank you for the interview.

1079

CSO: 1079 5

BRIEFS

FIAT PRICES RAISED--The Fiat 126P automobile, which for many years was said to be "for the masses," has gone up again in price. It now costs from 440,000 zlotys up to more than half a million. The person of average earnings will be able to afford one in 2 years (unless it goes up again), provided that not a penny is spent on anything else. The exchange price of this miracle of automotive engineering is double that. There has also been an increase in the price of automotive services, with some repairs going up by even 50 percent. Taxis are also more expensive, both personal cabs and trucks up by about 20 percent. [Text] [Warsaw PRZEGLAD KATOLICKI in Polish No 6, 8 Feb 87 p 4]

10790

CSO:2600/425

INEFFECTIVE BANKING SYSTEM, DEBT CRISIS DISCUSSED

Zagreb DANAS in Serbo-Croatian 24 Feb 87 pp 13-15

[Article by Drago Burvac: "The Emperor Has No Clothes on"]

[Text] By contrast with much richer Western economies whose government budgets are choking on debt, in the verbal game of the "withering away of the state under socialism" Yugoslavia has a government which conducts a policy of the balanced budget. The government's revenues are more or less as large as its expenditures: from the federal to the republic or provincial level, and all the way down to the opstina. If any of these budgets have a shortage, it is covered with additional revenues. Let us only recall the recent move made by the Mikulic government to transfer the turnover tax to the Federation and to increase the share of the republics and provinces to cover the larger federal expenditures. Nothing could be better, then, in the best of all possible worlds in which all of our desires and the inflationary dinar are balanced out in the idyll of self-management.

Beneath the line of that balanced net amount, the common sense of the Yugoslav citizen and self-manager has to grasp an everyday paradox: How is it that in the rest of the world, which is richer than we are, the economy is more or less sound, while the government has debts? Even such rich nations as the United States or Japan have been recording government debts in the billions of dollars--already at the level of 48.4 and 66.8 percent, respectively, of the annual gross national product--and this fateful American or Reagan's budget deficit is the subject not only of national, but even international debate in economic theory and pragmatic economic interests, as though the future of world economic growth, inflation, and stability of the leading convertible currencies depended exclusively on the extent to which the administration in Washington reduces its budget deficit. Over there the economy is rich, but the government is in debt. In our country things are the other way about: the economy is poor, but the government, aside from those international obligations of "socialized" debts, is washing its hands at the fountain of a nicely balanced budget.

The experts in the Paris headquarters of OECD (the Organization for Economic Cooperation and Development of the Western economies) are not that boy in Andersen's story so that they would have to shout to the Yugoslav public that the emperor is wearing no clothes, that he is actually parading around naked

in this crisis of ours. But when such a duty fell to them—less for our sakes and more because of the interests of their own economies and governments which are trying to get good information about the true state of affairs—in their last report on the Yugoslav economy they ferreted around in our financial balances and like the innocent child said what all of us might to ourselves have suspected. The immense debt of the Yugoslav Government is concealed behind the orthodox concept of the balanced budget. To be sure, it does not show up either in the federal or in the other budgets, but it has been concealed in the banks. According to calculations of the OECD, that government debt of ours has climbed from 5 percent in the period 1980-1982 to between 13 and 15 percent of the gross social product from 1983 to 1985, and it has thus built up to a level of about 30 percent in a rough approximation of the annual value of Yugoslavia's social production.

Ideological Raps on the Knuckles

Before saying exactly what this means, is this a great deal or insignificant to the capabilities of our economy or on some world scale, it is worth making a digression. We may think what we like about our professional economists, that they are good or they are bad, that they know or do not know, but we still cannot deny them recognition that these figures are not something unknown to them either. They have also looked into this paradox. Aside from the earlier writings on this topic, the last issue of the Zagreb journal NASE TEME contains a study by the young economist Neven Mates of the Economics Institute in Zagreb who is on the trail of the accumulated losses in our financial system, and concludes that they have built up in our banks. It has indeed come from various sources: in the form of the notorious exchange-rate difference, as credits which the banks cannot collect, the doubtful losses of economic organizations, and also the nonreimbursable transfer of resources of the National Bank to users, of which the Federation is the largest, and then also that conversion of credit to the economy granted from the issuing of money. To make the monkey business as simple as possible for the reading public which is not all that versed in economic terminology, we might say approximately this: the government simply transferred its debts and obligations to the banks: so, you see, our government has no debts, but the perpetual "scapegoat"—the banks—does have debts. Again one cannot avoid the curves of the sharp swerves from that debtor thread. Let us only recall how on our semieducated ideological front the banks were exposed to scathing attacks as centers "of power alienated from the producers." That front created an atmosphere in which it was almost assumed that all of our problems would be solved if we were to tear our banks from limb to limb as merciless exploiters of the "surplus value of labor" of the self-managers, as the last remnants of the capitalism and the notorious capital relation. The figures have something altogether different to say. Without entering into whether the Yugoslav economy can develop without contemporary banking—on the basis of the way matters now stand, banking has nevertheless played a thankless role. It has taken upon itself the debts of both the government and the economy, and by way of gratitude it receives slaps from people who are polished when it comes to ideology, but are laymen in the field of economics. There at least is no longer any doubt that the government manages the National Bank of the SFRY, but when the call is issued for the direct producers and the business organizations

which are members to manage the other banks as well, then this is a legalization of violence on the part of the majority, which operates its business poorly and looks for bank coverage, and it is outside all the laws of market behavior.

What is the meaning, then, of this government debt of ours concealed in the banks and amounting to between 13 and 15 percent of the gross social product? Is that much or little? It is undoubtedly a great deal, \$7 or \$8 billion, but then there is no reason to practice this kind of concealment, and least of all is there any benefit from it. To be sure, the more advanced economies do have much larger debts in absolute terms. We need only recall those \$220 billion of the debts of the Reagan administration in fiscal 1986. Of course, those dollar sums which would break our back are a smaller burden for richer nations. According to OECD figures, the American budget deficit in 1986 is about 3.4 percent of the country's gross national product. In the other Western economies it is higher in some places and lower in others. But in Italy, say, it is almost the same as in our country, 12.5 percent of the annual gross national product in 1986. What is more, the total debt of that neighboring country is equal to annual production. In the developing countries which have been shaken by strong inflation, the government debt is also high; for example, in Argentina it was about 12 percent of the gross national product in 1985.

Accordingly, it is no shame for the government to have a debt, it is publicly indicated in the economic balances of all countries. That is why there are no reasons for us to conceal it either. When you have your cards on the table, settlements are easier. Moreover, the level of the government debt and the guidelines of economic policy, which in various phases of the economic cycle diminish or increase that government debt, are an effective weapon in the anti-inflation policy of every government, whether it calls itself rightwing or leftwing. Fiscal policy has thus become a strong instrument in controlling inflation.

Now let us look at the recent development of events on the anti-inflation front in the world so that we might at least draw certain lessons from this. Both theory and practice are more or less clear on the point that inflation in the contemporary world is an inflation of the taxes imposed by the government. Higher taxes of any government—be it socialist or capitalist—stifle economic activity and saving. When people work less and save less, there are less goods and there is less technological progress, and there is a more modest supply for a larger quantity of artificially created money. Prices rise. Some "supply-side" economists thought up the idea of reducing taxes in order to invigorate economic activity, and pragmatic politicians have listened to them.

Legacy for the Future

Now let us give recognition even to Reagan, who at this point is shaky. But nowhere did the "welfare state" want to give up the positions it had gained; it was difficult to cut its costs. Because of the smaller tax revenues, but above all because of the pruned expenditures, the government budgets fell into

deficits. Did the economists also manage to avoid that trap? They did. Just look at the last 6 years of this decade of crisis. The government debt has grown without interruption, and controlling the deficits of government budgets has been one of the passwords which economic policies of almost all the Western governments have had to utter, and those who did not respect that fell, whether they call themselves leftwing or rightwing. Yet in spite of the deficits of the government budgets, even that immense one in Washington, all those countries have brought down inflation rapidly.

Fine: it can be said that Reagan did this in order to attract foreign capital to cover the American Government deficit at a high rate of interest and that he covered and at the same time invigorated the growth of the American economy. The much maligned Nobel Prize winner Milton Friedman, in spite of an uninformed public opinion, is not his adviser and rightly warns that these debts are a tax on future generations. The dispute is still going on, and perhaps we will soon learn of the outcome. One thing is obvious. The government can acknowledge its debt without fearing at all for its prestige, and with that kind of debt it is still capable of conducting a successful anti-inflation policy. There is theoretical and ideological entertainment in continuing the dispute for all those who love intellectual acrobatics with no Balkan head-rolling--but the fact is that inflation is tamed by the deficit in the government budget. Up to what level of that debt, that we still do not know, but consolation can be taken at least in this that we will be leaving to future generations of economists a sweet or bitter experience, no matter, should we want to learn something from the past, which many of us have never been anxious to do.

So let us return from these more or less instructive latitudes of the world economy to prosaic domestic soil. First of all we might draw this conclusion from their coordinates: there is no reason why a government should conceal its debts out of some kind of socialist purity. We owe the world \$19 billion, and we cannot conceal that from the world, so why should we conceal what we owe to one another? Then the world showed to us and proved to us that it is possible to conduct a successful anti-inflation policy even with debts. So let us try that ourselves. Instead of driving the National Bank to print money--which is a source of inflation even in the logic of elementary school--the government could acknowledge that fact and say that we are covering those debts, but at the same time suppressing inflation.

Here is a proposal. The government says that it will cover its debts with bonds. It will issue bonds. God help us if it is called a patriotic national loan. If necessary, we will float even that. But let these be economic bonds. Everywhere in the world government bonds, if they do not bring the highest profit and risk, are still the most reliable. Everything is going to ruin, but the government and its taxes remain. The government will then fix a decent rate of interest on that bond, as it does everywhere in the world, perhaps even higher than the present interest rates of our banks. Who will buy such bonds? Only look at the response of the population to the recent loan to build electric power facilities in Serbia. The bonds in the amount of 13 billion dinars simply disappeared among the population. The investor is happy. He has a higher rate of interest, and through Investbanka he can cash

his bond in at any time. Although we do not feel that they are secondary and unimportant, still let us leave to one side for the moment the dilemmas about who can purchase such bonds and how; let us leave to another occasion the discussions of the social problems of our work and earnings. But whoever has the money, he at least can use these bonds to provide a kind of guarantee of its real value and show his confidence in the government, and, if you like, he is entitled to that if he has earned his money honestly. Some of us have after all! The investor's logic is understandable, and it could even be extended more broadly, perhaps even to our savers of foreign exchange, the "Gostarbeiter" from abroad.

Can the government or, more specifically, the Mikulic government gain something from this? There is no doubt that it can. One of its principal goals, if we are not interpreting it mistakenly, is exactly to control inflation. Instead of overcoming inflation by printing money through the National Bank, the government could withdraw the surplus of money by selling its bonds. Regardless of whether the self-managers would divide up more or less income than the government tries to prescribe for them, that surplus buying power would go into savings and would be better paid for than present interest rates. Money demand would be diminished, as would the baneful pressure of inflation. The government would thus attain its objective. To be sure, it would pass the debts on to future generations which will be paying taxes on those debts, but we have not been freeing them of concern even with our present policy, which is only pumping up inflation and is not reducing the debts.

Without exhausting all the possibilities of such an operation, we would really gain a great deal from it. We would withdraw the surplus money supply and suppress inflation. We would restore confidence in the government, which recognizes and honestly pays for and repays its debts. We would protect the confidence of savers with higher interest rates, we would give them an advantage over consumers, and we would deprive them of the demand for foreign currencies and speculation with them. There is a great deal of room for this. The population does have money. Savings relative to total income increased from 7.9 percent in 1981 to 24 percent in 1985 (more than in the Japan we hear so much about). There is, then, money both for government bonds and for other bonds, for saving instead of spending and speculation with foreign exchange. And the greatest thing that the Mikulic government would achieve by this is that it would actually begin to create a money market and capital market, without which no modern society, and regardless of ideological pluses and minuses Yugoslav society wants to be modern, can suppress inflation. Even in a welfare state like Sweden, which taxes away 60 percent of the national income, it was the government that broke down bureaucratic prejudices and created a capital market in a time of crisis and sold its bonds bearing a high rate of interest, and they have now become an attractive magnet at the center of the money and capital market for the banks and individuals and they have destroyed the hide-bound cocoons of government soul-saving.

The Mikulic government is having a hard go of it controlling inflation through price control and an "explosion of earnings and all forms of expenditure." Instead of carrying the train of the naked emperor, it could manage to suppress inflation much more successfully if it admitted that the "emperor is

wearing no clothes" and if instead of the prejudices of "real socialism" about the balanced budget, it recognized the budget deficit, freed the bank of covering it, and created an effective front against inflation by developing a modern tax policy and market for capital. And the attempt to control inflation exclusively on the seesaw of prices and incomes, without a market for capital, is thus condemned to failure; it is like wanting to fly to the moon with Newtonian physics. In both theory and in present-day practice this is a great illusion, self-deception a la socialist realism. See here, people, the emperor is wearing no clothes.

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ADVOCATE OF PRIVATE SECTOR AIRS VIEWS ON NEW PROPOSALS

Zagreb DANAS in Serbo-Croatian 17 Feb 87 pp 19-22

[Interview with Cedo Grbic by Gojko Marinkovic: "Patriotism Is Not Measured in Money"; date and place not given; first paragraph is DANAS introduction]

[Text] National Hero, retired politician, "veteran fighter for small business" on the topics of tax policy, dogmatic resistance to small business, the distorted Marx, the irresoluteness of the League of Communists, and his former ideals and present-day conceptions.

DANAS: Recently the attitude has changed toward small business, toward private operators in particular. This is confirmed by a recent interview which Branko Mikulic had with a group of our workers abroad. But even that initiative by the chairman of the FEC was commented on in different ways. How do you assess it?

Grbic: That conversation was important to changing our behavior and it is in line with certain other actions being taken by the FEC. I am referring here particularly to the proposed social compact on development of small business, which is the most specific document in this field since the separate paper published on small business as part of the long-range program. It takes an important step toward removing and moderating the present restrictions.

DANAS: What are you thinking of in particular?

Grbic: I will mention only the main points. The opportunity is opened up for the owner of business space, when he ceases to carry on his business, to rent that space out, but he would not be able to open a new establishment at the same time. This creates a greater security for investment in business space, since the present arrangements have acted as a disincentive. Then I would mention the proposal for liberalization with respect to schooling, which especially has to do with the opening of shops in the hill and mountain areas, then abolishing restrictions on the opening of lodgings and restaurants, in that the possibility of opening family hotels is now being proposed. Then there is the proposal that private operators could have a bus, larger trucks, and vessels up to 100-ton capacity or 100 passengers. An opportunity will also be opened for them to hire more people in private establishments, but it is my opinion that that limit ought to be raised still more, especially in the

underdeveloped opstinas or when business is being done under contract for the large-scale economy. All of that would help to bring the present number of 400,000 people employed in small business all the way up to 1.7 million according to certain calculations.

DANAS: To what extent will it be possible, assuming, of course, that the compact is adopted at all, to implement it in practice, since it is well known that the present regulations have already permitted many such things, but little has been achieved?

Grbic: The compact first has to be adopted, of course, but that would be only the first step. That is only a precondition for us to win the status for small business that it should have in our society. In my judgment there are several other things that have to be dealt with, and I am thinking of tax policy first of all. If we do not make quite profound changes in it, nothing will come of development of small business.

DANAS: What ought to be changed?

Grbic: First of all, tax policy must be long-term, since up to now it has been unstable and has not afforded any guarantees for long-term investments. It is also well known that there is lack of equality in the burden of taxes and contributions in that the payments of private operators have been much larger than those of associated labor. All of this has discouraged people, and they have felt uncertain. An economic rate of depreciation has not been recognized when the tax base was determined, much less investments in expanded reproduction. And then the tax on the total income of individuals is debatable, since the progression is so steep that it does not pay anyone to expand production. That is why we have a situation in which even the best performers are employing only three workers, since every new job created represents a greater risk and uncertainty. And that is one of the reasons why there are no contract organizations of associated labor, although at one time it was felt that there were immense opportunities to create them. It was assumed that there would be more than 1,000 of them in Zagreb alone, but now there is only one.

DANAS: You think, then, that taxes are too high and are not an incentive?

Grbic: Tax policy is extremely discouraging, while in my opinion private operators ought to be allowed to earn a several times greater personal income than the top officials in the opstina, and then it should immediately be said that even this would not be a real difference, since the private operators do not have the kind of privileges the officials have. The negative effect of inflation should also be pointed up, since the value of capital invested by certain craftsmen and tradesmen over these last several years has dropped even to a tenth of what it was. In spite of attempts to develop small business, some of the announcements still have not been encouraging. In this difficult economic situation the desire is to transfer the burden of getting out of the crisis from associated labor to individuals, and ultimately this means putting it on small business. That is, it is difficult to catch those who are working on the "black" and "gray" markets, and the entire burden will once again fall on those who are operating legally.

DANAS: We agree with you that certain craftsmen and tradesmen are taxed disproportionately; however, some private operators are nevertheless getting rich quick. How is it possible for someone to get back all the capital invested in just 1 year and then begin to earn more? What kind of tax policy is that?

Grbic: This is especially possible in hostelry, because there is no competition, because the opening of more such establishments is not allowed. Even more absurd, some opstinas even specify that there may not be more than three hostelry establishments in the center of the city. This is idiotic and stupid, since competition should be created instead of making it possible for individuals to occupy a monopoly position.

DANAS: Isn't it precisely the little cafes and what happens in them that has compromised the idea of small business?

Grbic: People invest in them because they will realize a larger income. This is the logic of the market, and so long as the little cafes bring in big money, more than the productive crafts and services, people will continue to invest in them.

DANAS: Isn't society also at fault to some extent, since it has not sufficiently guided the development of small business?

Grbic: Society has set the limits here. It could provide guidance and planning without at the same time abolishing the logic of the market. You can strengthen oversight, send out tax people, but some things are difficult to bring about without competition, without economic coercion.

DANAS: Certain types of illegal behavior, overcharging, trickery, tax evasion and the like have had the result that small business is often seen in a bad light.

Grbic: For a time small business was talked about only in terms of crime, and all of that is precisely on the dogmatic line which sees in it evil and enemies of socialism. I repeat, tax policy should be defined. People come to me and say to me openly: "I have to cheat, since if I paid everything they demand of me, I would have to close my shop."

DANAS: There are quite a few ideological disagreements over small business. Some see them as the only way out of the crisis, while others again speak about Yugoslavia's going back to capitalism once again.

Grbic: This is an extremely complicated matter and it touches upon essential issues in the development of socialism and goes all the way to asking what is socialism; the central problem, and this does not pertain exclusively to small business, is that we as a society have not been acknowledging the law of value and commodity production. As is well known, in the predictions of Marx and Engels and indeed even of Lenin all the way up until the NEP, it was felt that the law of value would not operate under socialism. When he introduced the NEP, Lenin was making a large "revision" of the conceptions of the classic writers that had prevailed up until that time, but after his death that

"revision" was thrown out, and the concept of real socialism was adopted. And the dogma that commodity production generates capitalism goes along with that.

DANAS: But after the revolution Yugoslavia did not after all abolish all commodity producers.

Grbic: True, in our country and in Poland the small commodity producers and peasantry remained, but unfortunately we boast of this too little. And along those main lines of force the same thing happened as in the other socialist countries: the law of value and commodity production were replaced by the plan and state monopoly. Competition was liquidated, and that was the basis for the rise of state socialism. So, although we did not accept the dogma concerning private ownership and the private sector, we still did not acknowledge the law of value and the laws of the market. We have tried to change that in several reforms, and then ultimately in the Long-Range Program we offered the most complete conception of the return of the market, but so far all of that has been nothing more than words on paper.

DANAS: But one cannot say that it is only now that we have accepted the return to the laws of the market, when all of that was written down long ago in the LCY Program.

Grbic: We did adopt a commitment in principle, that is true, but not in practice. The permanent struggle against enrichment, against the creation of middle strata, except for the bureaucracy (whether of the party or of the government), the prevention of social differences on the basis of the results of work, all of which has supported leveling and equality in poverty, is also closely related to this. And that is one of the principal obstacles to development of the productive forces. We have to admit that egalitarianism is deeply implanted in our consciousness, in the consciousness of a majority of the citizens and the working class. And even our present economic structure supports that ideology of equal stomachs, that dogmatic legacy.

DANAS: In what sense does it support it, and why?

Grbic: We have developed an extensive system of production, which has low productivity, a large labor force, it is incapable of going out into the world, and it is largely based on monopoly. There are figures that indicate that all of 70 percent of our economy lives, or better survives, on the basis of monopoly, whether it be a monopoly in the opstina, the republic, or the Federation, because it is not subject to the fierce blows of the market. The size and characteristics of those monopolies are perhaps best illustrated by an example from Sisak, where a private operator intended to open a bakery, but everything was done to prevent this. This is no longer a policy, this is stupidity. We have a repetition of what happened 10 years ago or more when the agroindustrial combines in Slavonia opened their bakeries and shut down all the private ones, since the private operators were supposedly competition for them. The harm which dogmatic conceptions has inflicted is also demonstrated by this datum: the socialized combines invest as much as 10 times more for certain products than a peasant would need for the same quantity on his own farm. A few days ago I read in GLAS SLAVONIJE that the Slavonian bureaucracy

had held a meeting and came down hard against theft in agriculture, against agrobusinessmen, but also against employees in the socialized sector, since they were not utilizing the potential sufficiently. I mention this in order to illustrate that that bureaucracy behaves like a bully, it stuffs thieves and workers into the same basket, and at the same time it does not take up the real problems. Why, for instance, do we still have so much untilled land? That does not bother them. Or, in eastern Slavonia where the agroindustrial combines are dominant, the peasants cannot establish a single agricultural co-operative. The agroindustrial combines will not let them; they have a monopoly over the peasantry, and all of this is in the name of socialism.

DANAS: So that we are not unfair toward Marx and do not place him among the dogmatists, it should be said that he conceived the victory of socialism in the advanced countries of capitalism, not on its periphery, which is where we belong?

Grbic: I am aware that Marx is also abused and that all kinds of things can be proven with quotations from him, as many people do, but still I will quote one of his writings (the Preface to the Contribution to the Critique of Political Economy, 1859): "No social order ever disappears before all the productive forces for which there is room in it have been developed, and new, higher relations of production never appear before the material conditions of their existence have matured in the womb of the old society. Therefore mankind only takes up such problems as it can solve, since, looking at the matter more closely, we will always find that the problem itself arises only when the material conditions necessary for its solution already exist or are at least in the process of formation."

DANAS: Does that mean that the conditions for development of socialism have not come about even in our country...?

Grbic: No, it doesn't, since Marx talks about the process of formation of the forces, and that is our situation. In any case, my comment on this quote from Marx is that that law has not unfortunately been respected in the construction of socialism, and this has taken a toll, retroactively, but over a long term, and has limited the development of socialism as the most progressive society in developing the most productive production.

DANAS: Let us go back to the occasion for this conversation, Mikulic's initiative.

Grbic: Mikulic's conversation has had constructive repercussions, but I am not certain that all the promises he made can be fulfilled. As far as the capital of our workers abroad is concerned, I think that we are very late, since according to certain surveys all of 74 percent of the workers favor staying in Germany permanently. This is the best illustration of the disservice we have done both to ourselves and to them by not sufficiently taking into account creation of conditions for their return. As for appeals that they save their money in our banks, I am not certain how much benefit will come from that if we continue to constantly alter the terms and conditions for saving and frighten the savers. But if we were to conduct an intelligent

savings policy, I say that at this moment in Croatia alone several hundred million dollars would be pulled "out of the sock." But how is this to be done when certain high officials are constantly frightening individuals by checks on the origin of foreign exchange? I think that joint investment would accomplish the most, but not in the complicated manner that has now been foreseen by the Law on Associated Labor. We ought to introduce an honest system of shares, a socialist system of stockholding that would make it possible to attract not only the capital of Yugoslavs abroad, but also those here in the country. But here again we encounter resistance and assertions that stocks means income without using a hoe, deriving income from capital.

DANAS: How real is the danger, and people talk about it constantly, that what you propose would jeopardize certain fundamental social commitments or would bring about still greater social stratification?

Grbic: That danger does exist, but stratification must occur, we have to know who is successful and who is not. That has to happen even within associated labor, since this present leveling and maintenance of unprofitable production at a low level of productivity and realizing income on that basis, these are the things that keep us from getting ahead.

DANAS: How great is the threat of the danger of creating a stratum of people, let us call them small capitalists? How is capital to be restrained, when it always strives to reproduce itself and is looking for new areas?

Grbic: Up to now that capital has mostly gone into consumption, and two little of it has gone into new investments from which new accumulation could be created. This problem can be solved through the tax system.

DANAS: Even you do not deny that there would be serious stratification brought about by stockholding even within the working class?

Grbic: Look here, one person will drink up his money, another will eat it up, still another will buy a good car or a villa, but then there will be someone who will invest in stocks....

DANAS: But aren't those people right who warn that the opening of a factory with a few hundred workers would result in exploitation and the creation of true capitalists?

Grbic: Well, that is something that Hrabar invented. No one has ever mentioned factories with several hundred workers. Let us not frighten people with things that don't exist. In order to prevent these little things, they are now inventing out-and-out imperialism. I reproach Hrabar for making that statement about the patriotism of our workers, since it is intolerable for him not to acknowledge their patriotism when they want to earn money in their own country. Come back, make us a donation, and then you are a patriot. This is in bad taste, to put it mildly. And when our workers read that, what else will be left for them to say but: "So long, comrades!"

DANAS: And then some people say: if small business were to develop in a more significant way, the best workers would go to work for the private operators, and that would be detrimental to associated labor.

Grbic: That is again a matter of competition. The worker goes where he can earn more. Workers also went off to Germany, and they were the best ones. Some of them made good money, some of them also became small capitalists, but we did not make any big issue of that at the time.

DANAS: They refer to you as a veteran of the fight for small business. How did you come to adopt your present views, were you driven to it by our crisis?

Grbic: By the crisis above all. But I have also had my own crises. Especially in late 1984 and early 1985, when that fierce campaign began against me, especially in BORBA. They wrote all kinds of things about me at the time: that I want to restore capitalism, that I am protecting thieves, and so on in that style. But things are nevertheless moving forward, economic coercion is driving us to it more and more. These changes in the socialist countries also are encouraging. Unfortunately, we could have been far ahead of them. We are ahead of them even now, but we have lost valuable time.

DANAS: Do you have the feeling that Gorbachev is now offering himself to us as a model, as an ideal, as if we are far from him and his ideas, as though he had not learned from us?

Grbic: What is happening in the USSR is good for breaking down our own resistance. Whereas some people dismissed what was happening in China with a wave of the hand, now these changes in the Soviet Union are being taken seriously. Nevertheless, we have been a school for the Russians.

DANAS: Isn't what you are now saying and advocating a kind of self-criticism of what you worked for and advocated as a leader most of your life?

Grbic: I have always thought that what I was doing was for the best. But just take this as an example: We became aware of the credits bit by bit. Few people knew about our debt, much less about the possible consequences. We had the idea that we were developing rapidly, and then the shock came, and we realized that for years we had actually been living on someone else's savings. I committed myself to the communist movement as a young man, and I was what you would call a true Communist, a SKOJevac, and I thought that we all had to be the same. I advocated equality, and it was in fact brought about in those difficult times during the war, and then came peace, and it turned out that all of that was only an illusion and that wartime communism did not suit peacetime. I did not renounce my ideals, but time took its toll, and both conceptions and people change. For instance, I drove my own brother to join a cooperative, and now today I am writing books against kolkhozes and those times. That is how it is in life, one should not hold onto old schemes the way a drunk man clutches a fence and assert that if the facts do not fit into the ideology, so much the worse for the facts.

DANAS: Although the commitments are clear, we have the impression that the strongest resistance when it comes to small business is actually coming from the ranks of the party.

Grbic: The commitments are clear in principle, but nothing will change unless party leadership bodies, opstina and central committees, take sides in the most direct and specific way, unless they take positions. After all, for instance, the LC is in principle against leveling, but leveling is spreading, in principle it is in favor of small business, but it is not progressing, in principle it is against those who are incompetent, but it continues to support them....

DANAS: To what extent is the LC keeping pace with present-day developments, to what extent is it ready for the 21st century, to what extent is it a party of modern times?

Grbic: My assessment is that the League of Communists is today the weakest point in the system, that in its concrete behavior it is not on the line of developing the self-management system, but on the contrary is becoming an appendage of state socialism, the basis for it. In a way this is what the Critical Analysis says. Everyone is saying that the LC should be changed; however, nobody says what should be changed and how it should be done. Nor did anyone say this at the congress. One of the changes which should be supported was to introduce more candidates on election slates, especially in Croatia, but now some people want to revoke even that. The democratization of society and the emancipation from dogma must start with the League of Communists, but it is still sectarian and shut up within leadership bodies, within centralistic democratisms.

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SUMMARIES OF MAJOR EINHEIT ARTICLES, JANUARY 1987

East Berlin EINHEIT in German Vol 42 No 1, Jan 87 (signed to press 10 Dec 86)
pp 2, 95

[Summary of article by Guenter Schabowski, member of the SED CC Politburo, secretary of the SED CC, first secretary of the SED Berlin bezirk organization; pp 3-10. A full translation of this article is published in this report under the heading, "Berlin's Socialist History, Achievements Sketched."]

[Text] An Anniversary and the Law of History

Berlin's three quarter millenium ending this year offers insight into the dialectical essence of history and attests to how Berlin became the point of departure and center for great revolutionary changes on German soil. It is being shown how, under party leadership, the efforts of millions shaped Berlin into an attractive, mundane, politically stable "city of peace" and how the rise of our socialist metropolis embodies the purpose and law of social development.

[Summary of article by Erhard Krack, member of the SED CC, governing mayor of Berlin, capital of the GDR; pp 11-18. A full translation of this article is published in this report under the heading, "Berlin's Responsive Officialdom, Social Benefits Extolled."]

[Text] Communal Policy Benefiting Every Citizen

Of what great accomplishments socialist society is capable becomes especially clear in Berlin. Led by the SED party organization, the deputies and associates of the local state organs are making an essential contribution to implementing the main task course with its integrated economic and social policies and with a broad participation by the citizens so as to make Berlin still more efficient, pretty, and attractive.

[Summary of article by Heinz Albrecht, economic secretary in the Berlin SED bezirk management; pp 19-25]

[Text] Performance Center Berlin

Further enhancing Berlin's attractiveness as a socialist metropolis is a challenge to the creative diligence of its citizens that must crystallize above all in exemplary economic achievements. How are the qualitative growth factors exploited in Berlin's industry, how is the capital's science potential organically being linked with production, and how do working and living conditions reflect the growing economic efficiency?

[Summary of article by Wolfgang Junker, member of the SED CC, minister for construction industry; pp 26-31.]

[Text] Proving Ground for the Construction Workers

Our capital is ever more persuasively expressing the great political, economic, and social accomplishments of socialism in our country. That is proven by the achievements of the construction workers in the Berlin Program and the Berlin FDJ Initiative. The new section in the development of the capital opens a new chapter in our city's history. Now science and technology will increasingly become the crucial factor in construction intensification.

[Summary of article by Prof Dr Walter Wimmer, deputy department chief at the Marxism-Leninism Institute under the SED CC; pp 32-38]

[Text] In Paving the Way for Socialism

As an industrial sprawl, Berlin became the political and spiritual center of the German workers movement. Here the decisive class battles were won against reaction and war, for peace, democracy, and socialism. In this city the KPD evolved and, after the liberation from fascism, the SED. Here life was given to that which the best forces of the people, mainly the revolutionary workers movement, had so long been fighting for: the German workers and farmers state with Berlin as its capital.

[Summary of article by Prof Dr Helmut Klein, rector of Humboldt University Berlin; and Harry Smettan, graduate social scientist, first secretary of SED kreis management at Humboldt University; pp 39-44. A full translation of this article is published in this report under the heading, "Berlin University's Interaction with Industry Outlined."]

[Text] Humboldt University as a Productive Partner of the National Economy

An essential element in the development of Berlin's university into an efficient socialist people's university is the ever closer interaction between theory and practice. What tasks arise, in particular, from the new quality of the organic link between science and production, as defined by the 11th party congress, regarding the development of key technologies and their economic use, the reorganization of economic relations with combines, and setting up educational leads for all public sectors?

[Summary of article by Prof Dr Hermann Kaehler, sector chief at the Central Institute for Literary History in the GDR Academy of Sciences; pp 45-51]

[Text] Berlin's Live Cultural Traditions

The contribution, an essay, reflects on the art traditions of Berlin from the Enlightenment to the early years of the GDR, which are being preserved, appropriated, and extended in socialism and greatly contribute to the international rank of the GDR capital. It gives an impression of the variety and beauty of historic achievements in architecture and the visual arts, literature, music, and theater which in Berlin, as a center for political and intellectual struggles between progress and reaction, are not only of consequence to local history.

[Summary of article by Prof Dr Lothar Bayer, staff member of the Central Institute for Socialist Economic Management, CC SED; pp 52-59]

[Text] Higher Energy and Materials Economy--Essential Contribution to Comprehensive Intensification

In line with the economic strategy, production growth must be ensured while the specific expenditures for raw materials, semifabricates, and energy sources are reduced further, as is the ratio of production consumption to total output. That requires above all modern production methods. What results have thus far been achieved in seeking a higher energy and materials economy, which experiences deserve general application, and what are the tasks that are confronting all economic sectors?

[Summary of article by Dr Harry Moebis, state secretary with the GDR Council of Ministers; pp 60-65. A full translation of this article is published in this report under the heading, "Socialist Legalities' Economic, Social Role Examined."]

[Text] Legality, Order, Discipline and Security--Economic and Social Power

Order, discipline, and security are essential components for resolutely carrying on SED policy, aimed at the good of the people. By generalizing optimum experiences it is being shown how important socialist legality is, especially for the further performance development of our economy and the well-being of the citizens, and what tasks have to be met here by the managers and the many social forces.

[Summary of article by Prof Dr Willibald Gutsche, research group director at the Central Institute for History in the GDR Academy of Sciences, chairman of the central board of the Homeland History Society in the GDR Culture League; and Dr Heinz Moritz, department chief at the Marxism-Leninism Institute, CC SED, chairman of the problem council for regional history at the GDR Historical Sciences Council; pp 66-71.]

[Text] Exploring Regional History with Purpose

Part-time and full-time historians are making greater efforts in exploring the historic legacy in the enterprises, combines, localities, and territories in a discriminating manner and without any narrow-mindedness. The new socialist traditions are of increasing importance to it. Why is there a growing interest in regional and homeland history? What is its ideological effect based on? Which questions should be given still more attention by research? How can one still better train and develop the creative talents of homeland historians?

[Summary of article by Orlando Millas; pp 72-77.]

[Text] The Ongoing Struggle of the Chilean People and the Role of the Communists

The hard struggle of the Chilean people against Pinochet's fascist dictatorship, supported by U.S. imperialism, is marked by diverse operations and forms of struggle turning into a vast current of resistance and organized rebellion. The Communist Party of Chile, in being in the front rank of this struggle and deeply rooted in the people, resolutely champions the unity of all of Pinochet's adversaries and joint operations on all levels to establish a democratic system.

[Summary of article by Prof Dr Karl-Heinz Roeder, deputy director of the Institute for Political Theory and Jurisprudence at the GDR Academy of Sciences; pp 78-81.]

[Text] Rightist Trend in U.S. Justice

The most aggressive U.S. imperialist forces behind the Administration seek to subordinate jurisdiction more than in the past to their arms buildup and confrontation course. To crack down on the growing resistance to that course in the United States, the rights of Congress are being curtailed, and these very same rightist conservative forces that have been orchestrating their mendacious human rights campaigns have gone into a general offensive against the constitutionally vested basic democratic rights.

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BERLIN'S SOCIALIST HISTORY, ACHIEVEMENTS SKETCHED

East Berlin EINHEIT in German Vol 42 No 1, Jan 87 (signed to press 10 Dec 86)
pp 3-10

[Article by Guenter Schabowski, member of the SED CC Politburo, secretary of the SED CC, first secretary of the SED Berlin bezirk organization: "An Anniversary and the Law of History"]

[Text] What will bring visitors from all over the world to the Spree River this year as never before--statesmen, communal politicians, artists, trade unionists, scientists, tourists--has for its historic occasion and cause two venerable parchments with many seals kept in the seminary archives of Brandenburg. They are bulls of 1237 and 1244 issued by two brothers, Margraves Johann I and Otto III. They contain the first documentary reference to the existence of Berlin. They designate a spot between two arms of the Spree, the very spot where in today's center of our socialist metropolis the slender steeples of St. Nikolai, the oldest structure in Berlin, rise to the sky. That is where Berlin's cradle stood.

It is no exaggeration to call Berlin's three quarter millenium that ends this year one of the most important anniversaries we have had reason to celebrate in the history of our GDR. There are cities on our continent that are older and played a regional and super-regional role in earlier centuries. Some of them dropped back into insignificance. Others have preserved their rank. Certain it is, though, that today our Berlin embodies unlike any other city evolving in German history the purpose and law of historic development.

The socialist Berlin of our days is the mundane capital of the GDR, pulsating with life. The impressive achievements of the diligent Berliners, evident in the political, economic, social, and intellectual-cultural experiences, constitute the essence of our city today. Therein are fulfilled the efforts and sacrifices and also the hopes and visions of earlier generations of toiling men of our city, its best and most talented and progressive representatives. What our Berlin attests to today is what Erich Honecker said at the 11th SED Congress: "Particularly in the capital the great political, social and economic accomplishments will express that socialism is not, as some conservatives in the West would have it, an 'error of history,' but represents the future of mankind." (Footnote 1) ("Bericht des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands an den XI. Parteitag der SED" [SED Central Committee Report to the 11th SED Congress], Dietz publishing house, Berlin, 1986, p 37.).

In Berlin, history reveals its dialectical essence. For nearly seven centuries the historic progression had essentially been double-tracked—one course was that of the wealthy, the powerful, the exploiters, and the other one was that of toil, fight for plain survival, social rebellion, which the suppressed, the plebeians, the proletarians, the workers had to take. The reactionary element—feudal junkerdom of the realm, Prussian militarism, imperial and haute-bourgeois imperialism—turned into fascist barbarism. Berlin reached its nadir when it became the command headquarters of the brown aggressors.

The peoples' liberation front, the anti-Hitler coalition, and mainly the lethal blows from the Red Army, drove the fascist beast back to the point at which its atrocities had started, into its cave in Berlin. That was more than the end of a criminal gang. Here the system that had produced it received its death certificate, the surrender document of 8 May, the place of it given as Berlin-Karlshorst. The German people too was given the chance by this victory and liberation to remodel its own existence from the bottom. This indeed turned out to be the new start of a path that would take it to the summit of our history. A few years later it became apparent in Berlin, not only to our people, but to the peoples of Europe and the world at large, what fundamental turning point had occurred. The antifascist-democratic people's power constituted itself in Berlin. The GDR was founded. Berlin became the metropolis of the GDR, the seat of the first German workers and farmers government. Berlin demonstrated, and is itself an expression of the fact, that the laws of social development uncovered by the greatest sons of our people, by Karl Marx and Friedrich Engels, are ultimately irresistible and are implemented by the class appointed for it, led by its revolutionary vanguard, together with its alliance partners.

Socialism and its leading force, the Marxist-Leninist party, have seen to it that Berlin is presenting itself to the world today with more beauty, attraction and human rights than ever in its history. A phoenix indeed, rising from the ashes and ruins of the past. A tremendous effort of reconstruction, the results of which crowd into view in all parts of our capital, has been achieved and is still under way. There are efficient, modern industrial enterprises producing as much today in one month as in the whole year of the founding of the GDR. Tens of thousands of scientists are coming out with more and more top achievements of international rank.

As everywhere else in our republic so also in Berlin visitors can see what has been gained through the people's socialist power: Education for all children; a rich intellectual-cultural life; free public health and exemplary medical care; unprecedented opportunities for recreation and sports for the citizens, for our youth—and all that in an atmosphere of social comfort, its most important indicator being full employment.

These are facts which emphatically underscore Erich Honecker's remark: "Under the leadership of the working class and its party and through the cooperation with all its allied forces, more has been done in the GDR's 35 years for a better and meaningful existence of the citizens of Berlin, more has been done and accomplished for a high material and cultural standard of living than in whole centuries of the city's chronology. Never before has so much been produced, built and reconstructed as in our time, and never was any of it done

for the sole purpose of serving the people's well-being." (Footnote 2) (Erich Honecker, "Solemn Anniversary for Berlin, Today Bearing the Honorable, 'City of Peace,'" "750 Jahre Berlin," Dietz publishing house, Berlin, 1985, p 8.).

History Illuminates the Way into the Future

Ernst Thaelmann once described our association with historical anniversaries as follows: To communists and the class-conscious part of the proletariat they are no empty days of commemoration. They are guidelines for action. The Berlin anniversary likewise expresses our party's active connection with history. "In contrast with some bourgeois politicians, we have no disturbed relationship with history," Erich Honecker said at the 2nd session of the GDR Committee on History. (Footnote 3) ("The Achievements in Berlin Attest to the Creativeness of Men and the Strength of Socialism," NEUES DEUTSCHLAND, 27/28 September 1986, p 3). That set another important basic criterion for anniversaries under our socialist circumstances.

For one thing, the creative and critical character of the Marxist-Leninist world-outlook allows us to grasp, determine, and objectively evaluate the historic processes, events, persons, with all the contradictions their times impose on them. Typical of that are the theses prepared by a team of historians under the direction of Prof Dr Ernst Diehl, as commissioned by the GDR Committee on the 750th Anniversary of Berlin. They are an important achievement in Marxist-Leninist historiography. They illuminate how deeply in history our current policy is rooted which, in turn, is dictated by the people's basic interests. They at the same time explain the ambivalence of progress and reaction which would always be met in the camp of the former ruling classes, especially among personalities of the bourgeoisie. We are proud that we can count not a few and the most important ones of them among the people's partisans.

The collapse of the old class forces before history, as demonstrated by the fascist catastrophe for which they were accountable, is the true cause for their lack of ability today to cope with history.

The communists and the antifascist forces allied with them who by pledging their lives and with immense bloodletting held high the cause of freedom, law, and the people's honor in the night of fascism, can in retrospect face stoutly each phase of history.

The superficiality, the historic makeshift, the flight into show business, which one can observe at historic events west of our state border, reveal fundamental weaknesses in dealing with history that cannot be suspended. Let us but refer to two of the symptoms: Where the murderer of Ernst Thaelmann, despite overwhelming evidence, remained untouched for decades and the Nazi judges, the accomplices of a Freisler, are held immune to any legal prosecution, history cannot breathe through. The settling of accounts, long overdue, still is wanting.

In our country an event such as the 750th anniversary occasion for making the citizens still more deeply

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their own place in historic processes. The purpose of looking back to the past is neither an end in itself nor some nostalgic transfiguration. The light our historiography throws onto past centuries reflects the future, illumines our further course. It makes us deeply aware that our social forward march is in harmony with the law of history. We feel inspired in the consciousness of the elemental historic change, the idea that also marks the focal point for Berlin's 750th anniversary: "The ominous cycle between progress and reaction has been broken--a first in the history of this city and of our people--everything being done for the people, with the people, through the people." (Footnote 4) (Erich Ponecker, "Solemn Anniversary . . .," loc. cit.).

Historic Achievement of the Working Class Party

The rejuvenated and pretty appearance of today's Berlin, its economic and scientific capacity, its intellectual-cultural and, particularly, its political atmosphere in which its million inhabitants share all efforts, planning, and ruling--all that is a great historic achievement of the working class party. At the time of the Weimar Republic, "red Berlin" acted as a symbol of the progressive forces far beyond Germany, and massive proletarian politics emanated from Berlin, the general Marxist-Leninist line of the KPD, worked out under Ernst Thaelmann's leadership, guiding the awareness and struggle of the workers class in Germany. Even then the communists proved the most consistent representatives of the working people's political and communal interests. The confidence and esteem always shown the first president of the GDR, Wilhelm Pieck, also originated in the unforgettable efforts of the labor leader heading the Berlin faction of KPD deputies in the 1920's. His popularity among Berlin's working people was due, not last, to his incorruptible and impassioned commitment to the needs of the workers and their families. Through cooperating with Social Democratic and bourgeois-democratic communal politicians, trade unionists, enterprise councils and members of cooperatives, social improvements were won at the time in various areas. Even so, the communists never lost sight of the fact that none but a revolutionary change in power and property relations could create fundamentally worthy living conditions for the working masses.

The struggle for the united front against the approaching fascist danger, against the chauvinism and anticommunism kindled by the most aggressive forces of monopoly capital, more and more came to the fore between 1929 and 1933. The strong Berlin party organization at that time, under Walter Ulbricht and then under Wilhelm Florin, made an important contribution to it.

In the night of fascism, the illegal groups of the Berlin party organization of the KPD, fighting shoulder to shoulder with Social Democratic, bourgeois, and Christian enemies of Hitler, turned Berlin into the central point of anti-fascist resistance in Germany. That this front, in spite of fascist terror and great bloodletting, was always there and always active, proves another historic fact. Even prior to the unconditional surrender of German imperialism, while in parts of Berlin Red Army soldiers forced down the fascist troops in bloody battles, within the turmoil and fire of the war, in other words, anti-fascists, members of the communist resistance groups, began to found the power organs of a new Berlin. While Goebbels' PANZERBAER on 28 April 1945 still raved about Bolshevism being decisively beaten in Berlin, communists like Kurt Steffen had long proposed to Soviet headquarters in Weissensee members

of the KPD and the SPD and antifascists from other segments of the population for the new city district administration. In Kaulsdorf, according to Comrade Fritz Kunze's memoirs, three mayoralties had been set up in which their initiators from the ranks of the workers parties worked together even with representatives of the Evangelical Church. Many examples like that can be found in the documents on the new beginning. (Footnote 5) (See documents 83, 84, 92, 94, 101, 107 in "Die Befreiung Berlins 1945. Eine Dokumentation," VEB Deutscher Verlag der Wissenschaften, Berlin, 1985).

Berlin, liberated by the heroic sons of the Soviet people, became the center and point of departure for great revolutionary changes on German soil. With the historic KPD Central Committee appeal of 11 June 1945, right after the liberation from fascism, the call came from here for an antifascist-democratic new start. In Berlin, Wilhelm Pieck and Otto Grotewohl, by their handshake at the unification congress in April 1946, sealed working class unity on a revolutionary basis. Millions wrote a fundamentally new chapter of Berlin's history by what they did: the activists of the first hour, the cleanum women, all those who without reluctance helped remove the material and spiritual debris left behind by the fascist German Reich to lay the foundation for a politically stable, efficient, and attractive metropolis. The GDR's political, economic, and cultural development brought about under working class party leadership in subsequent years had, in a few decades after the liberation, perceptibly changed the face of Berlin, distorted by the war wounds.

A new phase in the hastened all-round development of Berlin opened with the 9th SED Congress resolutions. The main task policy showed its effects soon also in the capital. A key role here went to the centerpiece of the party's sociopolitical program, the housing construction. The 9th party congress vested this basic orientation in the program: "The development of the GDR capital Berlin as a political, economic, and intellectual-cultural center of the GDR deserves special attention." (Footnote 6) ("Programm der Sozialistischen Einheitspartei Deutschlands," Dietz publishing house, Berlin, 1976, p 23.).

To fulfil that mission, the SED Central Committee Politburo in 1976 issued the Berlin Program, which more than ever turned the strengthening of the positions of the workers class and of socialism in the capital into a business for the entire republic. The outstanding expression of the broad and deep response that program found in all of the bezirks in the republic is the "Berlin FDJ Initiative." The unparalleled achievements in housing construction, in carrying out important construction projects in transportation, in public supplies, public health, science, education, and culture would not have been possible without the solidary contribution from all bezirks.

At its 16th bezirk delegates conference the SED bezirk party organization, on behalf of all Berliners, expressed its cordial gratitude to the bezirks of the republic and the FDJ for all this. The point was made that Berlin, through its economic achievements would reciprocate for the solidarity it had received with respect to the entire republic and following the motto: "Berlin gives the republic as the republic has given and is giving Berlin."

Reviewing all these great successes, the 11th party congress could then resolve as follows: "Through the strength of the whole republic we shall further develop Berlin, the GDR capital, that of the first socialist state on German soil. What has been accomplished here will take a place of honor in the 750-year history of Berlin." (Footnote 7) ("Bericht des Zentralkomitees . . .," loc. cit.).

The party's solicitude for the fate of our capital and their hometown, affecting and obligating each Berliner most deeply, is expressed particularly in the involvement by Erich Honecker, general secretary of our party's Central Committee and chairman of the State Council, in the course and blossoming of Berlin. All basic decisions and documents that determine the remodeling of Berlin since the 8th party congress bear his signature. His speeches at the bezirk delegates conferences in Berlin have been programmatic milestones for the capital's development. Let us here merely recall one of the most recent and impressive examples of the solicitude for Berlin. At a conference of the SED bezirk party activists in September 1976 the general secretary had first broached the idea of creating a Thaelmann Park. The 10th party congress turned the idea into a resolution. It took less than 36 months to complete the project. On the eve of the 11th party congress that residential area was turned over to the public. In Berlin's working class district Prenzlauer Berg, the terrain of one of the saddest residues of the past, a new emblem of Berlin had arisen. A residential site, recreational area and memorial for our great champion symbolize the unity of words and deeds in our party's resolve for the good of the people.

The Main Task Policy Marks the Berlin of Today

The working people's diligence and creativeness have turned Berlin in the years since the 8th party congress into more and more of a dynamic production and science center in our country. Decisive impulses emanate from here in linking the advantages of socialism with the accomplishments of the scientific-technical revolution. At a fast rate now microelectronics pervades the high-grade products of the Berlin combines. Already in Berlin's industry and in the construction, transportation, and commercial enterprises over 4,500 industrial robots are in operation, circa 45 percent of them coupled with highly-productive installations. Computer technology is given increasingly broader access to the production preparation sectors and the control over production sequences. There are already circa 3,500 CAD/CAM terminals through which the activity of roughly 15,000 researchers, developers, designers, project planners, construction designers, technologists, and production managers in all economic and science sectors in Berlin are provided broad creative elbow room. The enterprises in the chemical industry and of the food and beverage industry, in order to produce highly effective medicines, new cosmetics and detergents, and provide more durability for foodstuffs, are increasingly gaining the great economic benefit that comes from the application of biotechnological procedures. Berlin is becoming a center for modern key technologies. The firm basis for it is the steadily closer link between production and science, for which extremely favorable conditions are provided by the high concentration of roughly one-fifth of all of our country's science capacities in our capital.

All that is inseparable from further improving the Berliners' working and living conditions, from the ever more pronounced development of the socialist way of life in our city. Roughly 282,000 apartments were finished between 1971 and the end of 1986. Three new Berlin city districts--Marzahn, Hohen-schoenhausen, and Hellersdorf--assumed city size. Living conditions for working class households improved primarily. In the 1981-1985 5-year period alone, 64 percent of all new housing units went to workers families. New construction goes hand in hand with modernization and with the preservation of Berlin's existing housing. Thereby we do away, step by step, with one of the most depressing legacies of capitalism. Much still remains to be done. Yet more and more inner-city sectors are turning into friendly residential environments. Behind neat facades of whole treks of streets, modernized apartments with internal toilets and bath or shower offer modern homes to the citizens on their familiar turf. With rich ideas the inhabitants are renovating old backyards and starting green spots. For the anniversary the capital is thus presenting itself, in terms of its built-up substance, as the youngest Berlin there ever was.

The rate of development crystallizes also in the quotas set for Berlin in the 1987 national economic plan and the 1986-1990 5-year plan. Ambitious growth rates for industrial production in all combines and the resolution of the housing question as a social problem by building 163,000 apartments mark Berlin's continued dynamic development in the years ahead. That goes together with further steps toward comprehensively expanding all social welfare areas, wherein the great achievements in health care for the Berlin citizens occupy an outstanding spot.

Hand in hand with economic and social progress goes the development of a rich intellectual-cultural life in our city. The achievements of 10,000 artists and creators of culture preserve and enrich Berlin's reputation as a metropolis of culture. Their creative efforts, a lively international cultural exchange, and our art-loving public are producing a unique intellectual atmosphere. Within it there prospers in many forms the socialist national culture, which absorbs and extends all the humanistic, progressive, and revolutionary cultural values of the past.

Based on the successes produced during the period since the 10th party congress, the 11th SED Congress was able to resolve as follows: "The great political, social, and economic accomplishments of socialism are to be given a concentrated expression in the shaping of the GDR capital Berlin as a socialist metropolis. Through an ever improving economy of the production, function, and organization of the city, the socialist life-style is to be made to prevail in an exemplary fashion, and the energy and radiation of socialist Berlin as a city of peace are to be raised further." (Footnote 8) ("Direktive des XI. Parteitages der SED zum Fuenfjahrplan fuer die Entwicklung der Volkswirtschaft der DDR in den Jahren 1986 bis 1990" [11th SED Congress Directive for the 5-Year Plan for the GDR's Economic Development from 1986 to 1990], Dietz publishing house, Berlin, 1986, p 21.) This way the working class party for the new phase also in the shaping of the developed socialist society in the GDR reliably and presciently leads the capital on, clearing more elbow room and fields of activity for it to stay at its prime and flourish.

Berlin--A City of Peace and of Dialogue

Berlin rates today as a metropolis with international political dialogue. Chiefs of state and government, party leaders, ministers, politicians from East and West and from countries on all continents met here in recent years with the political representatives of our republic to conduct exchanges of views and ideas about the fundamental problem of our age, the safeguarding of peace, disarmament steps, and freeing mankind from the nuclear threat.

Berlin is synonymous today with an atmosphere of reason and realism, as suitable for coping with the intricate and grave problems for humanity in our era. In an especially threatening phase of European development, right after the ominous missile resolution by the Bonn parliament, the call came from here: Now all the more all strength for securing peace! This motto still inspires us today, after the USSR-U.S. Reykjavik meeting, the point being to help the great plan of socialism for disarmament and peace on behalf of all peoples prevail.

That Berlin today occupies such a position in the international arena, also expresses the pervasive political change this city has gone through under working class power. Having been twice, in this century alone, the point of departure for the most devastating imperialist rapacious wars in human history, it received the honor, as the metropolis of the first socialist German state, of being given the title of "city of peace" by the World Peace Council. As a visible expression of it far and wide, from a pediment in the Nikolai Quarters--clearly the oldest part of the city, that is--there shines Picasso's dove of peace.

The most recent and fruitful sector of Berlin's history is marked by many events that justified the decision of the international peace forces. Only a few years after more than 102,000 Red Army soldiers lost their lives in the battle for Berlin also for our own people's future, the deepest qualitative caesura in the history of the German people occurred--as mentioned--in Berlin. Here is where the GDR was founded. Youth was first in mightily proclaiming, beyond the borders of the young state, the message of the birth of the new republic. Inscribed with honor in the city's annals are the Germany meetings of the FDJ of 1950 and 1954 and the Third World Festival of Youth and Students of 1951, sponsored by the FDJ in Berlin under Erich Honecker's leadership. They, as well as the later meetings and national youth festivals, as much as the 10th World Festival in 1973 were high points in the peace struggle and in international solidarity.

The young workers and farmers power passed crucial tests and trials here in Berlin in 1953, 1956, and 1961. Three times, on the dividing line between socialism and imperialism, the torch of war had to be knocked out of the hands of the most aggressive reactionary forces. The class enemy suffered his heaviest defeat on 13 August 1961. The working class under arms resolutely secured the national border and made wither fast and forever the fantasies of revanchism, ready to annex the GDR, and the roll-back strategy of Dulles. Today there no longer is any doubt among the forces of reason, even in the West, that in the August days of 1961 the peace on the European continent was saved here. A direct line goes from there to the set of European treaties that consolidated the order of peace on our continent.

Berlin experienced such important high points in the struggle and in forming the front of the anti-imperialist forces and of peace as the conference of the communist and workers parties of Europe in 1976. On an SED initiative, the Karl Marx Conference was held in Berlin in 1983. In the native land of the founder of scientific socialism it demonstrated the strength of the communist world movement and the effectiveness of the Marxist-Leninist ideas, which more and more determine the course of the world in our era.

That Berlin has long maintained close fraternal relations with the capital in the country of its liberators, Moscow, is another sign of the fundamental political change. In 1964 Moscow first received a delegation of the Berlin party organization. That was followed by friendship trains of the trade unions and the FDJ. Large-scale enterprises, science institutions, and theaters exchanged associates and experiences. A special expression of the friendship between the two cities are the regularly held Berlin Days in Moscow and the Moscow Days in Berlin. Only a few weeks ago, the cooperation between the party organizations of the two metropolises was reconfirmed by accords that conform to the criteria of the 11th SED Congress and the 27th CPSU Congress.

Berlin also reflects the internationally respected rank of our republic and its diverse international linkages. The fact that the GDR maintains relations with 132 countries and that 160 commercial, transit, and culture delegations and 120 press bureaus are operating in Berlin, brings to mind how miserably in the early 1970's the imperialist attempts failed internationally to isolate and boycott the German workers and farmers state. The capital's city council maintains relations of communal policy with 39 capitals around the world. The world meeting of mayors, held in Berlin during the anniversary year, will also again highlight Berlin's international radiation in this field.

The impressive facts in this development of Berlin are as irrefutable as are the positions and accomplishments of socialism in our country. From this socialist foundation inevitably grows our endeavor to preserve peace, which is a state doctrine in the GDR. In the future also, Berlin will meet its responsibility as a city of peace. Still more will it pledge its honor, attractiveness, and opportunities to the goal of averting nuclear catastrophe, stopping the arms race on the earth, and not admitting it to space.

Decisive for it will always remain the deeds produced by working class determination. The decisive battle also for securing peace is fought in the economic field. Our spur and commitment there is the conviction expressed by Erich Honecker at the 16th bezirk delegates conference, that the Berlin party organization, indeed every Berliner, in implementing the 11th party congress resolutions "will be found in the front rank of the builders of socialism in our republic, of the fighters for peace." (Footnote 9) (Erich Honecker, "We Want for the Generations of Today and of the Future to Be Able to Build Their Happiness in Peace," NEUES DEUTSCHLAND, 10 February 1986, p 3.).

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BERLIN'S RESPONSIVE OFFICIALDOM, SOCIAL BENEFITS EXTOLLED

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pp 11-18

[Article by Erhard Krack, member of the SED CC and governing mayor of East Berlin: "Communal Policy Benefiting Every Citizen"]

[Text] Berlin, the capital of the socialist German state, most clearly manifests what economic, social, scientific, and cultural achievements a society is capable of that places its bet on the strength of the people. Not only the external picture of the metropolis has fundamentally changed under the workers and farmers power. Distinct changes took place also in the consciousness of the Berliners in all classes and strata who are proud of their city and the fruits of their labor. The most comprehensive material and intellectual changes here took place in the period since the 8th SED Congress. In these 15 years, more was accomplished in important areas than in long periods in the thus far 750 years of city history. Never before did one build so much, so fast, so modern as today, and never yet were there such irrevocable objective premises for a genuine and deep sense of home. Only since 1976, the three new city districts of Marzahn, Hohenschonenhausen, and Hellersdorf arose on the eastern periphery. The looks of downtown and other inner-city residential areas have essentially changed for the good. The capacity of the whole republic has to be thanked for this reconstruction effort. The modern rate achieved in this also underscores the population's trust in the SED's economic and social policy.

The party leadership always has paid special attention to Berlin's development. It deeply conforms with our citizens' conviction that Comrade Erich Honecker, the general secretary of the SED Central Committee, chairman of the State Council, and honorary citizen of Berlin, announced at the second session of the GDR Committee on 750 Years of Berlin: "He who builds as here in Berlin, trusts in a peaceful future." (Footnote 1) ("Anniversary Being Celebrated as a People's Festival of Joie de Vivre and the Will to Peace," NEUES DEUTSCHLAND, 27/28 September 1986, p 7). Of that millions of guests in our city from inside and from abroad can convince themselves in the anniversary year. We want to help them experience socialism as it really exists in practice and present our metropolis as mundane, hospitable, and imaginative. They should find out here how we strive for a high standard of living for the citizens in our communal policy efforts. Visitors from the non-socialist part of the world will have the opportunity to correct the distortions of socialism with which they have been fed.

Berlin--Capital of Socialist Germany

The rise of Berlin from the medieval commercial town to the metropolis of the first workers and farmers state in German history always led to fierce conflicts between progress and reaction, to the struggle by the progressive forces for urban rights and freedoms, for a true people's sovereignty. Many democratic and revolutionary insurrections and movements lead to our socialist Berlin. In them the history-forming force of the people's masses becomes manifest over all the centuries. Berlin democrats and revolutionaries often fertilized the development of the entire country with their militant spirit.

Landmarks here were the struggles by the Berlin middle class for the granting and preserving of an autonomous township administration which finally, in the 15th century, in the "Berlin Anger," turned into armed revolt against the feudal power of Brandenburg. That includes the Stein-Hardenberg reforms with their new city order in connection with the national liberation movement in the early 19th century as well as the progressive aspirations of the democratic forces, especially of the young Berlin workers class, expressing themselves emphatically in the 1848/49 revolution. In the struggle against Bismarck's anti-socialist laws, Berlin's workers movement not only defended its democratic rights, but it even sent five deputies into the city assembly in 1883 to start performing there communal policy work on behalf of the working people.

In the new era introduced by the Red October, in the 1918/19 November Revolution, in the class battles of the Weimar Republic, and in the heroic resistance against fascist barbarism, in our city also, under the leadership of the workers class and its Marxist-Leninist party, those forces grew strong that, after the triumph of the glorious Soviet Army and its allies over fascism, laid the foundation stone for a Berlin in which for the first time in history the working people took the city's destinies into their own hands. Under working class leadership and in alliance with other democratically minded classes and strata, democratic people's representations evolved with the supreme goal to do everything for a life in peace and social comfort.

Today, thanks to the workers and farmers power and thanks to the diligent and creative efforts of its citizens, Berlin, given the honorific designation of "City of Peace" by the World Peace Council in 1979, has a fine reputation all around the globe as the capital of socialist Germany.

For a Performance Oriented and Civicly Relevant Communal Policy

The city assembly and city council of Berlin let themselves be guided by this observation of the 11th SED Congress: "For spreading socialist democracy more widely, the cooperation among the local state organs, the citizens, and their people's representations is of great weight. Regular, well timed, and concrete information for the citizens on questions concerning their local sphere of life draws them early on into decisions and solutions. Respecting the rights, suggestions, and critical references from the citizens and protecting their proper interests, is a mandatory precept for everyone who bears responsibilities in our state." (Footnote 2) (Comrade Erich Honecker, "Bericht des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands an den XI. Parteitag der SED," Dietz publishing house, Berlin, 1986, p 75.).

Due to the Berlin resolutions passed by party and government, Berlin's long-term development is governed chiefly by the general plan as an essential strategic working document for the local state organs. It facilitates--while proceeding from the economic strategy the 11th party congress issued--preparing early and skillfully decisions on future urban development, this in cooperation with the central state organs. In this we increasingly focus on intensive urban development. That means: Placing the priority on promoting intensive economic growth factors through territorial rationalization, solving the housing question while making better use of available sites, and the preservation and further improvement of the quality of all that has already been built. We constantly want to improve the conditions in our city under which people can develop their personality comprehensively and feel comfortable--in a city in which trade and services are organized rationally and for the satisfaction of its citizens--a city with an efficient transportation system, high-level social welfare, and a diversified intellectual-cultural life.

Industrial development is given special attention by the city assembly and city council--as prompted by the law on the local people's representations. (Footnote 3) (Cf. "Law on the Local People's Representations in the GDR," GESETZBLATT DER DDR, Part I No 18, 1985, p 214). The centerpiece of our work goes to further improving, jointly with the combines and enterprises, the territorial reproduction conditions. In the general plan for the capital, measures are contemplated, in particular, that promote the modernization, structural improvement, and intensification of the available production potential and the creation of new enterprises. The priority here goes to future-bearing, intelligentsia-intensive production processes with a high refinement of raw materials and semifabricates, a favorable energy economy, friendliness to the environment, and good working conditions. As an important center for microelectronics and biotechnology, our city is making a decisive contribution to further boosting the GDR's economic capacity. Of the city council this demands further perfecting, through complex management, economically significant processes in the territory and conducting throughout a performance-oriented, imaginative, and civically relevant communal policy. When citizens are attracted to be looking for solutions, together with their people's representations, even for complicated economic and social tasks and to help prepare appropriate decisions, creative potentials are released for reaching the ambitious goals.

In addition to the centrally managed combines and enterprises with their seats in the capital, seven bezirk-managed industrial combines are operating in Berlin with a total work force of 16,500 and food processing combines and enterprises, with 3,800. The production program of the bezirk-managed industrial combines ranges from high-grade electrical household devices (coffee and tea makers, kitchen machines, and heating pads and electrical blankets) via other consumer goods like outerwear, camping furniture, and bicycles for children, to diverse commodities for industrial needs and means of rationalization. The dynamics of, precisely, this economic sector suggests itself by that in 1986, according to provisional computations, a net production increase of 14 percent over the previous year is accounted for, with a prime cost reduction of 2 1/2 percent. The basic premise for these achievements have been the much increased rationalization means production and the in-house R&D capacities. Up to 1990, high increase rates are projected also: for net production, more than 50 percent, for the proportion of consumer goods to total output, from 48 percent in 1985 to between 70 and 75 percent.

For all that, the development of Berlin and of its economic capacity in recent years has clearly proven that territorial rationalization in its diverse forms is an essential intensification and growth factor. Territorial cooperation among enterprises and institutions in the capital brought out rationalization means for more than M 50 million in 1986 and saved material at a value of roughly M 35 million. The results in a division of labor and specialized service and maintenance of machinery and installations by way of supra-enterprise cooperation came to more than M 20 million. To encourage this process in a target-directed fashion, the city council issues a territorial rationalization plan annually that gets correlated with centrally and locally managed enterprises and with science and other institutions. There are 80 task forces in the capital at this time in which, under the direction of responsible city council and city district council associates, specialists of the state organs, from industry and science, the Chamber of Technology and other social organizations, take part. These projects are being discussed which--in following up preassigned economic objectives--later become components of the territorial rationalization plans.

Communal contracts and accords are gaining in importance in this connection. The city council has signed communal accords for their assistance with 17 combines and enterprises in the capital that have to deal with important economic priority tasks, including the combines of Berlin's NARVA Rosa Luxemburg incandescent light plant, the Wilhelm Pieck Oberspree cable plant, and the television electronics plant. And then there are still some 180 communal contracts between the city district councils and the enterprises in the capital. Results achieved on the basis of communal contracts are the joint creation of the prerequisites for significant intensification and rationalization projects in the centrally and locally managed industry and for the new construction or expansion of enterprises and the joint training and advanced training of working people for economically significant tasks. That also includes more favorable commuting services and the optimizing of freight traffic, customer-friendly working hours and the expansion of the services of commercial and service institutions, organized apartment switching with respect for where the laborers work, and measures for a high-level organizing of the Berliners' leisure time.

Here applies the principle: Communal accords in every case embrace obligations both for the state organs and for the enterprises. Berlin enterprises thus are involved in apartment modernization and expansion, and in setting up and taking care of green areas and other recreational facilities. Enterprise culture houses are open not only to the staff personnel; programs and events of the circles are often adapted to the specialized needs of the citizens in adjacent residential areas. Enterprise polyclinics often take care of the inhabitants in surrounding territories. And then there are dozens of examples that show how, especially, medium and large-size enterprises support through their rationalization means production the locally managed construction industry, commerce, crafts, and other sectors of communal life.

Constantly Improving Housing Conditions

The local state organs bear a growing responsibility for improving the housing conditions, which represent an essential factor of the quality of life in socialism. And it becomes increasingly clear here that what matters here is not

only accounting for the number of the newly built or modernized apartments at the end of a planning period. Rather, the social effectiveness of housing construction requires that one always keeps in mind those conditions that in toto add up to the families' happiness, contentment, and well-being. That calls for high-grade housing construction connected with an urban construction and architectural design that meets contemporary demands. It also calls for high further continuity in construction, which implies that those structures that in the past were often erroneously referred to as successor facilities will by and large be completed together with the apartment buildings.

Especially for the complex housing construction in the three new city districts it has been found to be useful to be oriented to a complete finishing of residential areas. The 16th SED Bezirk delegates conference asked us to make sure that citizens can take over not only their apartments, but simultaneously also streets and paths, a shopping mall, repair and service facilities, a nursery and kindergarten, a school and health facilities. This requirement also includes favorable commuting conditions, reinforced roadways to the stops, street lights, green and vacant lots, telephone booths and--as much as possible--art design projects.

When one modernizes 9,000 to 10,000 apartments each year, one must keep construction periods as brief as possible, which calls for long-term and thorough preparation by the city district councils. In contrast with new construction we have to take into account here that we are dealing here with buildings that differ in conditions, were built by non-standard modes of construction, and with construction in narrow confines. Working people in such city district-managed construction not only must have energy and dedication, they must also show consideration and amiability in dealing with the people who live in these houses. Not seldom, these are senior citizens who have lived in the same house for decades and who find that modernization creates living conditions on their own familiar turf they have never yet come across.

Building and living simultaneously--in old as well as new construction areas--will be with us for some time and will always lead to certain temporary constraints on our domestic well-being. The experiences in Berlin have shown, however, that the stress from inner-city construction can be greatly mitigated when state organs as well as construction enterprises take proper account of the citizens' individual and collective interests and involve the inhabitants themselves in good time in making preparations for important decisions.

Well Functioning Everyday Life

In the communal policy area the citizen senses in various ways the state's constant care for his well-being. Special importance we here attach to ensuring stable stocks in high-grade commodities and services, the organization of inner-city traffic, to cultural life, the level of restaurants, and the efficiency of health and social welfare.

In connection with the housing construction program, the city council passed a conception for developing the commercial network till 1990. It contemplates setting up all necessary sales outlets in the new construction areas. That

includes not only large shopping malls, but also 125 sales outlets for industrial goods. Altogether, more space will be set aside in the new city districts also for small specialty stores with individualized and courteous service. In the inner-city areas, in connection with reconstruction and gap-filling construction, many sales facilities are newly opened or reopened. We also have started to beautify major shopping lanes comprehensively and lend more originality to facades and showcases. With it, we also often improve the working conditions of the commercial employees.

Berliners have access today to 275 types of household and utility services. Based on conceptions passed by the city council, public service and repair alone was raised by 158.8 percent from 1981 to 1985. We consider it very important that more and more house service calls for repairing technical consumer commodities are taken care of when the customers are not at work. Delivery schedules in important sectors have been greatly trimmed since 1980, though we are by no means yet satisfied with the current level. The city council has issued delivery schedule norms for important types of services; their being observed is being controlled periodically—even by deputies and other social forces. Regular experience exchange within the framework of the capital and with partners outside of Berlin helps popularize everywhere and apply optimum values and technologies.

Enterprises of all forms of ownership are being drawn into the development of commerce and services, and also of the restaurant business. In early 1986, there were 1,515 private tradesmen and 455 private innkeepers in Berlin. For services and repairs for the population, 77 percent of the total was taken care of by 64 crafts producers cooperatives and 3,130 private crafts enterprises. Between 1981 and 1985, 1,156 private artisans got started. The number of trade permits granted thereby was higher than that of enterprise closures.

Right now the city council is working on the concrete work programs for basic out-patient medical care in pediatrics, general medicine, gynecology and obstetrics for up to 1990. In addition to setting up the needed facilities in the new construction areas, they contemplate a comprehensive reconstruction and expansion of the medical and social care capacities in the old, densely settled parts of the city. In the years ahead there will be set up more medical and dentistry vacancies and hospital spots, child nurseries, old age and nursing homes, rehabilitation workshops, and other facilities. That creates those conditions that give the citizens the certitude that everything is done for him, his family, and his colleagues to preserve their health and efficiency or, in case of sickness or disability, to ensure their being taken care of.

Our Source of Strength—Spreading Socialist Democracy

The firm alliance of all the classes and strata of the population is a historic accomplishment of the working class party that is widely apparent also in the capital. From that our citizens derive their mighty impulses for actively taking part in the further beautification of Berlin and in raising its performance potential. Not least through the development they themselves have shared in their own city has such a civic awareness been molded among Berlin's citizens as would prove a strong motive for action for sharing the work, the planning, and the governing and for fulfilling the party and government resolutions.

This is clearly seen in the nature, activity, and composition of the Berlin people's representations. The Berlin city assembly has 225 deputies, 110 of them workers, 76 women, and 27 young people below the age of 25. The SED has 56 deputies, the other four friendly parties have 22 each; further mandatories are the FDGB, the Democratic Women's League of Germany, the FDJ, the GDR Cultural League, and the Peasant Mutual Aid Association. The friendly parties also are represented in the city council by deputy chief mayors, where they have managerial responsibilities for important sectors of communal life. The deputies work closely together with the citizens, whose mandate and confidence they have, take account of their recommendations and suggestions in their political activities, and thus become essential guarantors for the Berliners' share in governing. On 16 standing commissions they work together with successor candidates and 134 other appointed citizens.

In view of the size of the 11 Berlin city districts and on behalf of close civic communal policy, the work of 159 election district activists groups has been found useful. These activists groups are an effective organizational form for informing and mobilizing the citizens and also are important links between the deputies and councils on the one side and the neighborhood commissions, housing community leaderships, and citizens, on the other. These bodies, directed by a member of the city district council, unite deputies, agents of the residential SED organization and of other parties and mass organizations, chairmen of National Front neighborhood commissions, executive associates of enterprises and institutions located in that voting district, representatives of the housing administration or of the workers' housing construction cooperatives, and Sector Agents of the People's Police. The chairman is assisted by a state official of the city district who holds weekly regular office hours in the voting district. The city council has delegated an official to each election district activists group to keep informed about typical tasks, problems and work results and take part in solving problems.

Important points on the agenda of the election district activists groups are the improving of housing conditions, the work with house repair plans, results and further tasks within the scope of the competition, "More Beauty for Our Capital Berlin--Join-In!" and for collecting secondary raw materials and the observance of city regulations. It has been found useful for the competent city district mayor to hand at the beginning of each year the head of each election district activists group the plan projects for the given territory as derived from the national economic plan. The election district activists group has the right and the function to supervise the implementation of these projects and recruit the citizens into taking part in it.

Nearly one out of each five Berliners does part-time work today in a state or social function. The city assembly and city district assemblies have 2,360 elected people's representatives. More than 3,300 citizens are working on 167 standing commissions. More than 15,000 Berliners are on the 610 National Front neighborhood commissions. Circa 113,000 citizens exercise functions in the 27,293 housing, floor, and street community leaderships. Socialist democracy in action also is demonstrated by the activity of 5,320 lay-judges and the 18,000 members in the over 1,800 elected conflicts commissions. Over 15,500 working people are doing a great deal of work on the part-time bodies

of the Workers and Farmers' Inspectorate. There are more than 10,000 volunteer police helpers. More than 42,800 exercise their democratic rights and duties in some 7,200 parents advisory councils. Other citizens belong to housing and welfare commissions, construction activists groups and order and safety commissions, sales outlet commissions, and patients advisory councils in our public health institutions. There is virtually not one area in which citizens would be denied the opportunity to take part in public bodies, personally or through their representatives, in preparing communal policy decisions.

For a People-Associated Working Style

In November last year, Comrade Willi Stoph, member of the SED Central Committee Politburo and chairman of the GDR Council of Ministers, formulated requirements made on the socialist communal politician: "The criteria set by the 11th SED Congress demand of each state functionary that he excel through high political and technical knowledge and people-related work, has firm principles, and always fulfils a model-role. When dealing with the citizens, he must be modest, react sensitively to their suggestions, recommendations and criticism, and help bring about changes when needed right on the spot. Being active and imaginative, he must help innovations to break through and be ready to apply the best experiences of others in his own work." (Footnote 4) ("Local State Organs in the New Phase of the Shaping of Developed Socialism," EINHEIT, No 12, 1986, p 1078). The citizens' interests are the starting point and the goal of all communal policy efforts. The citizen's image of our state greatly depends on the personal experiences he gathers in the city-hall, in talking with a state functionary.

Our future goal is to make comprehensive use of the fine experiences we gathered in the public debate on the 11th SED Congress and in preparing for the 1986 public elections. We consider especially important in this context providing the citizens with expert and regular information on all matters that relate to the development of their immediate residential sector. The city council and the city district councils have obligated their political associates, in coordination with the National Front commissions and other social forces, to give briefings in the residential areas once monthly before voters, housing community leaderships, residential area commissions, or at other occasions, on the development of our city, and to answer the citizens' topical questions. Special information centers in the areas of complex housing construction also have been found useful, where executive council members give account to citizens.

The authority of local state organs largely depends on how the work with petitions is organized. Comrade Horst Dohls, on behalf of the SED faction, commented about that before the People's Chamber: "On all who bear responsibility in our state the civic duty is incumbent to protect the citizens' rights, respect their ideas and experiences, represent their justified interests, and see to it that everything is straightened out that still needs straightening out. Nowhere must one meet the citizens' concerns indifferently or irresponsibly. All suggestions and references from the citizens are to be checked carefully and to be used for our economic and social progress." (Footnote 5) ("Horst Dohls, 11th Party Congress Resolutions--The People's Work Program," NEUES DEUTSCHLAND, 18 June 1986, p 7.) In this field of work we also can rely

on sound experiences gained from the public election preparations. All the critical remarks and constructive recommendations from the citizens that could not be settled right there were gathered; and the liabilities, solution procedures, and deadlines for processing them were established. It is a principle that also will apply in the future: No criticism, no inquiry, no proposal must remain unanswered. When a solution is for objective reasons not possible right on the spot, the reasons for it must be carefully explained, possibly through personally talking with the citizen. Through holding on to typical petitions in problem protocols the councils, moreover, have analytic material in hand for eliminating in a concentrated and systematic fashion causes that might lead to critical remarks from the public.

From the experience of our communal policy efforts we may boast a successful balance-sheet: Berlin—750 years after its first documentary reference—is indeed a real hometown for its citizens, a city in which they are comfortable, to which they feel closely tied, and in which they are ever more successfully involved in shaping their own social life.

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BERLIN UNIVERSITY'S INTERACTION WITH INDUSTRY OUTLINED

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[Article by Prof Dr Helmut Klein, rector of the Humboldt University, and Harry Smettan, diplomat in social sciences, first secretary of the SED kreis organization at Humboldt University: "Humboldt University as a Productive Partner of the National Economy"]

[Text] Berlin University has, since its founding in 1810, significantly influenced, far beyond the national borders, the history of science and the development of higher education. One reason for it lies in the conception of the university, here first implemented and worked out, above all, by Wilhelm von Humboldt, defining the university as the highest step of a "unified educational system," as we would say today, which has the function to teach science and develop it further at the same time. From that result; as the most important principle of Humboldt's university conception the unity of teaching and scholarship. Both the teachers and the students were to be committed to the progress of science. Humboldt attached great importance to independent scientific work, mainly to self-study, and to the moral education of the students. The graduate was to be not only a specialist in a particular field, but he was to excel by a sense of social responsibility, to be led to a clear view of the world as a whole through the "unifying bond of philosophy," and be shaped as a character.

Humboldt's conception proved an exceptionally viable basis for a, in some fields, nearly triumphant development of the strength of scholarly radiation of Berlin University. In medicine, the natural sciences, and in many social science and linguistic disciplines, scholars of international reputation taught here whose discoveries and insights will forever maintain a place of honor in the folio of international scholarship. The university also vastly affected Berlin's spiritual-cultural life, attracting many young people as students who were passionately dedicated to science and developed into important personalities. Karl Marx, its most famous student, and Friedrich Engels, who audited courses, experienced Berlin University as a "work house," as Feuerbach put it, as an "arena for spiritual struggles," as Engels described it, and they actively involved themselves in these struggles, especially in the conflict with the reaction the state promoted.

A Genuine People's University

When our university was reopened in January 1946, we could pick up Humboldt's conception as much as the farsighted science, intelligentsia, and alliance policy the KPD had worked out even before 1933 and in the struggle against fascism. In the more than 40 years since, the Alma Mater Berolinensis, bearing the name of the Humboldt brothers since 1949, developed into an internationally renowned and highly effective socialist university in the GDR capital.

As all institutes of higher learning in our country, Humboldt University became a genuine people's university. It opened its gates to the sons and daughters of the workers and farmers, who made up but a minute figure among the students before 1945. Marxism-Leninism occupied its proper place in the university and became a regular component of teaching and scholarship, training and education.

Annually, some 2,000 students graduate from a total of 120 courses of studies and start their professional activities in the various practical fields in which they are doing their best. The practical field has taken a large part in their training, e.g. by handling the internships scheduled in the study plans in enterprises, schools, hospitals, and other public institutions. Annually--and by considerable increases in recent years--some 20,000 working people resort to the opportunity of the various forms of continuing education offered by the university, in which the latest data are passed on, e.g. from information technology, microelectronics, medicine, or the agrarian or social sciences. The tradition-rich Charite Hospital, getting much improved material-technical conditions for its work through the largest investment project in its 275-year history, to be concluded by 1990, is becoming ever more effective as the leading medical center, without which medical care, especially for the Berlin population, is no longer conceivable.

In crucial areas of mathematics, the natural sciences, and the agrarian sciences, research cooperation with enterprises and institutions has broadly developed since 1946, e.g. between physics and electronics and the Berlin electrical engineering and electronics industry, or between our chemists and physicians and the chemical industry.

Also the social scientists with their practical partners in industry, the educational system, and the law institutions, and through close ties with the Berlin city-council, are making an important contribution to practice-oriented research. To an increasing extent Humboldt University is enriching the spiritual-cultural life of the capital, through Sunday readings, evening courses, various lecture series in enterprises, appearances by its performance groups, especially by the Capella Academica symphony orchestra and the large chorus, and through the science students associations it supervises which are very important for spotting and promoting early in the game special talents among the youths.

New Quality of an Organic Link Between Science and Production

The function and efficacy of science and university affairs have fundamentally changed in the last 40 years as an inseparable element of revolutionary social change. A new relationship between the university and society, and also between theory and practice, has evolved thereby. That is the viable basis for solving

with success the new demanding tasks the 11th party congress has assigned for the phase ahead in the continued shaping of the developed socialist society and of the international class struggle, mainly for securing peace and the rigorous implementation of the economic strategy. More effectively still combining the advantages of socialism with the scientific-technical revolution demands of us further to increase the weight of all achievements to be produced by our university.

That science receives strong impulses from industrial development and, vice versa, science can strongly boost industrial development is by no means something realized only in our own days. The industrial revolution and the concomitant economic upswing in Prussia, and in the Empire since 1871, furnished the most important stimuli for the outstanding development at the time of the natural sciences at Berlin University and the Academy, and the university has significantly promoted through great achievements, many of which awarded the Nobel Prize, this upsurge of Berlin to become one of the important centers of the machine industry and electrical engineering, precision mechanics and the chemical industry.

Baumann becomes the "father of the chemical coal tar industry," Helmholtz closely connects with the precision and electro-industry. Emil Fischer points out in 1914 that in the relation between science and industry the deliberate utilization of science data for commercial purposes has become a characteristic.

The vast majority of the scientists proved perfectly willing to advocate the development and application of science as a social productive force. Under capitalist conditions, however, they got into a dilemma: The results of the so productively applied science primarily served the capitalist profit greed and, worse, were misused by the ruling classes for two devastating world wars. That dilemma—expressing the characteristic capitalist contradiction between science and power—is definitively surmounted in socialism through the revolutionary change in the power and property relations. This, however, does not mean that the most effective forms of the unity of science and production that are in principle possible in our society, with respect to the current stage of the scientific-technical revolution and its foreseeable developmental tendencies, evolve automatically and without complication, by themselves, as it were.

In the more than 40 years since the reopening of our university—as of all our other universities—we have, together with our partners in the economic field, been looking for those effective forms, had much success, and gathered experiences. But now a new quality of the organic link between science and production is needed. What does that consist of, what activities does that require, and which experiences have we already had?

In his concluding speech at the third SED Central Committee session, Comrade Erich Honecker put it like this: "Of extraordinary importance for dynamic economic growth is a high rate of production and application of the key technologies." (Footnote 1) ("3. Tagung des ZK der SED, Aus dem Schlusswort des Generalsekretärs Erich Honecker," Dietz publishing house, Berlin, 1986, p. 93). Four points of major emphasis derive from that orientation, already dealt with in detail at the 11th party congress.

First: It is necessary to concentrate still more the university's copious research potentials on the problems that are of special importance for the development of the key technologies and their economically productive utilization and for the key issues in further social advances. That required and requires in the future abandoning some previously pursued research trends, rapidly addressing new problems, reorganizing collectives, getting used to new fields and, in part, even redistributing potentials. In some cases it is also necessary to envisage more daring goals for one's own work and produce more world standard-determining research results in the fields of the separate sciences that are crucial for the key technologies. At all that one has to proceed with a high sense of responsibility and prudence. Experience shows, e.g., that truly great and economically relevant results normally can be expected from the kind of basic research that has been pursued consistently over long periods. E.g., Robert Rompe and Friedrich Moeglich as long ago as shortly after 1946 oriented physics research at Berlin University toward solid state physics. Resolutely pursuing and constantly adapting that program to international advances in understanding finally furnished the results that today make our physics and electronics sections much wanted partners of the economy. More research concentration on the economically most important developments includes basic research ranging into the far distant future, so that the university can be, not only today and in 5 years, but even in the year 2000 and thereafter a productive partner of the economy.

In socialist society the development and economic application of the key technologies more and more come under the overriding objective to serve man's well-being. That goal embraces the further development of the production relations and of management and planning, and the control over the social effects of the scientific-technical revolution for the benefit of men, as much as changes in training and continuing training and the protection of the environment.

The policy issued at the 11th party congress charts the course for our society and state as such; it relates to all areas, mainly to our contribution to solving the most important problem of mankind, the safeguarding of peace. Many complicated and even new problems arise from all that for the social sciences. Wanted are new research results "that do not just confirm and interpret the practical field but change it in a positive sense, which calls for courage and creativity in tackling and resolving new problems." (Footnote 2) (Eurt Hager, "Marxismus-Leninismus und Gegenwart," Dietz publishing house, Berlin, 1986, p 43). Precisely on such basic problems of social development we are concentrating our university's social science research potentials.

Second: The reorganization of economic relations between the leading economic units, the combines, and the Academy of Sciences and the colleges, as introduced by the September 1985 Politburo resolution, is meant to help coordinate the research strategies more closely and lastingly with the developmental, production, and sales strategies, finance or otherwise support a large portion of the basic research at the Academy and the colleges through the combines, and secure and speed up the economic application of research results obtained, which will enhance the mutual responsibility of both sides. The combines take on more responsibility for the planning and conducting of university research, and the scientists assume a greater responsibility (partly also greater rights) in the practical application of the results they have achieved. This is benefited by a mutual exchange of personnel.

In the last couple of months, Humboldt University signed 21 coordination contracts and 120 performance contracts with combines. Economic contracts connect us at this time with 19 Berlin enterprises. Circa two thirds of all contractually arranged performances belong in the field of basic research, principally in matters of the key technologies. That ties up circa 62 percent of the research capacity in mathematics and the natural and technical sciences. Roughly 750 scientist and 1,000 students are involved. Medicine has coordinated its research goals, especially in pharmacology and medical technology, with industry through 19 performance contracts. Through the process of contractual commitment, concluded for all intents and purposes, we have created a new situation in the university.

Now everything possible must be done to put life into the contracts, i.e., achieve top performances and top time frames. World standard-setting research results have, among others, been contracted with

- the VEB works for television electronics Berlin, for developing new semiconductor materials, research into semiconductor structures, the modeling of optoelectronic components and new ion ray procedures for highly integrated reception structures;
- the combine VEB Wilhelm Pieck Oberspree cable works, for light wave conduction;
- the combine VEB NARVA Rosa Luxemburg incandescent tube works, Berlin, for optimizing cathode materials; and
- GERMED export-import in the fields of photophysics and molecular biophysics.

We seek to generalize and apply the experiences of joint research and developers collectives that have partly been working for some time in the sense of the course now taken generally. That includes, e.g., the department Humboldt University shares with the television electronics works, which was set up in 1982, with three colleagues from the university and two from the enterprise, and always run since then by a university instructor. Now it has slots for 48 associates, 21 from Humboldt University and nine from the Karl-Marx-Stadt Technical University and sometimes also from other technical colleges. Since the department has been in existence, eight new component types have been shifted over to production. Between 1983 and 1985 prime costs in the enterprise were reduced by M 3.39 million, working hours were cut back by 335,000, there were as many as 35 patents, and one of them got the prize for being the economically most successful patent of the television electronics works. It makes possible a fully automated production of infrared components and brings in a proven profit of M 8 million.

While the work of our joint laboratory was aimed thus far at comparatively rapidly effective R&D results, we shall in the future, in line with the joint responsibility the combine and the university have for basic research, be oriented more to leads for key technologies in the 1990's and beyond. For it, 13 R&D topics were formulated up to 1992. There are already the first top results in the field of integrated optoelectronics with semiconductor links.

Third: As it has a very broad science profile, conditions are most favorable at Humboldt University for interdisciplinary work in the productive partnership with the practical field, mainly with the economy. Real advances in the field of the key technologies, as one knows, can no longer be expected from

any one discipline alone, but only from the cooperation among various sciences. The same holds true for research on global humanity problems, mainly for safeguarding peace, and for such basic problems in the further shaping of the developed socialist society as the socialist lifestyle, incentives for performance attitudes, the development of cultural needs and so forth. In the department mentioned that we run jointly with the television electronics works there are working, e.g., physicists, electronic engineers, chemists, mathematicians and now also social scientists. All the research in microelectronics and optoelectronics has long been conducted and coordinated the interdisciplinary way at Humboldt University. That pertains to the potentials in physics, chemistry, electronics, mathematics and psychology, and more and more also the social sciences.

Yet even with regard to interdisciplinary work, a new quality of work is to be attained. Thus we have set up interdisciplinary centers for the key technologies of information and biotechnology, which are putting together all the different disciplines concerned, in biotechnology, e.g., from biology to chemistry, the foodstuffs industry to medicine. These centers are to become more active as contract partners of the enterprises concerned and help bring interdisciplinary cooperation to full effect as an important intensification factor. Interdisciplinary socialist cooperative efforts are to be extended also in the Academy of Sciences and other science institutions with which we are commonly engaged in part in one and the same combines and enterprises.

Fourth: One of the most important tasks of the university as a productive partner of the economy is to create an educational lead, i.e., educate, train, and retrain personnel that can cope with the present and future tasks. It is necessary fully to integrate the targets, contents, and forms of academic training and advanced training with the foreseeable tendencies in our scientific-technical and our overall social development. This process is fully under way in our university--as in all others too. All teaching staffs, the Marxism-Leninism section in the lead, aim their attention at a substantive implementation of the new study program in the basics of Marxism-Leninism, which sets as its goal a still more relevant, creative appropriation of the working class outlook and the party policy, orienting us to the tasks ahead under the new conditions and taking into account much new understanding.

The people in the practical field expect that our graduates will get used to their new professional tasks without much difficulty, cope with the current state of science and technology, fast come up with top performances, especially in the key technologies, and still meet those requirements that will come to confront them in 10 to 20 years.

All experience tells us this can mainly be achieved through solid education in basics and through enabling all students to engage in independent, creative, scientific work. Inseparable from basic studies must now already be, for all courses of study, information technology. Starting this year, no student will graduate from the university without at least some familiarity with small computers, and an increasing proportion of students will get theoretical and practical training in information techniques going far beyond that.

The flexible availability of the graduates for future demands, the abilities and attitudes toward a quick start for top achievements, of independent and creative work, which implies recognizing problems and the highest dedication to resolving them, all this also calls for further developing the ways and means of studying, i.e., the scientific-productive character of study. We think it is highly important that the students as much as possible get drawn into the cooperation with the combines, enterprises, and other institutions in the practical fields in society. While right now already students are working in 25 youth research collectives of the FDJ in enterprises and some 2,000 students are doing active research on youth projects, the results of which become useable to the enterprises at least in part, there are still considerable reserves to be found.

Top personnel produces top achievements. The university and the economy are equally interested in finding as large a number of top personnel among the graduates as possible. So it becomes still more important for the university to spot in good time and promote purposefully especially gifted students who are highly motivated and committed to socialism.

Making Humboldt University still more effective as a productive partner of the economy or--stated more generally--enhancing the place value of our work for the successful implementation of our party policy, that calls for decisions, measures, new approaches to many overlapping or specialized questions, and it calls for most concrete and controllable management activity. The decisive basis for it is political-ideological work, is a creative atmosphere in the party collectives and in the FDJ collectives and in the trade union. Led by the kreis party organization, the political-ideological work of the FDJ, of the trade union, and of the state leaders is aimed at making the associates of the university realize how great the responsibility is they bear for a humanistic manner of dealing with the basic problems of our age, the safeguarding of peace and the consolidation of socialism needed for it. Then they will face the new tasks with passion and frenzy and so fulfil the function of science of being "the 'vivifying fire' in the ongoing confrontation of man with nature." (Footnote 3) (Comrade Erich Honecker, "Bericht des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands an den XI. Parteitag der SED" [SED Central Committee Report to the 11th SED Congress], Dietz publishing house, Berlin, 1986, p 56).

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SOCIALIST LEGALITIES' ECONOMIC, SOCIAL ROLE EXAMINED

East Berlin EINHEIT in German Vol 42 No 1, Jan 87 (signed to press 10 Dec 86)
pp 60-65

[Article by Dr Harry Moebis, state secretary with the GDR Council of Ministers:
"Legality, Order, Discipline and Security--Economic and Social Power"]

[Text] In the steady consolidation of socialist legality and in ensuring exemplary order, discipline and security, the SED finds an essential condition for further shaping the developed socialist society in the GDR. "Instilling a voluntary abiding by socialist legal norms and protecting socialist property, including the protection from breakdown and fire, and conscious discipline and high vigilance is among the most important tasks of the state organs, the social organizations, and all citizens," as the SED Program states. (Footnote 1) (Programm der Sozialistischen Einheitspartei Deutschlands," Dietz publishing house, Berlin, 1976, p 43).

One of the fundamental experiences of socialist construction indicates that each social advance in socialism, every economic forward move, and each scientific-technical accomplishment implies a resolute strengthening of socialist legality. Time and again it becomes persuasively clear: Solving the tasks assigned by the party and government--in whichever field whatsoever--is possible only if order reigns, work is done with high discipline, and security is ensured at all times on the job and all throughout public life.

Demands for Society and Each Individual

It is of great importance that, based on the 11th party congress resolutions, many new initiatives are developing relative to exemplary order, discipline and security in the combines, enterprises, and institutions and in urban residential areas and communities. This process is of course not automatic; it has to be well organized and tightly managed by the state and economic organs. The GDR Council of Ministers, therefore, in exercise of its constitutional function, has issued some stipulations of principle. Other state and economic organs also, as well as the local people's representations and their councils, are making a valuable contribution in this field, in line with their concrete tasks and the territorial conditions. The point of all these measures is to link more closely still the state management and planning of the economic, scientific-technical, social, and intellectual-cultural processes with a

rigorous consolidation of socialist legality and turn the guaranteeing of discipline and order into a regular component of management in all social processes. Experiences have shown us: The fine results of such pacemaker enterprises as the state-owned enterprises of the Halberstadt machine factory, Zemag Zeitz, and the polygraph printing machine plant Planeta Radebeul are, precisely attributable to that

--the managers in the work collectives persuasively explain the importance of strict order, discipline and security as a productivity-promoting factor and a prerequisite for a safe protection of public property, derive from it the requisite conduct requirements, and set examples themselves in enforcing socialist legality;

--the understanding is improved, through various and massively effective publicity, of the inseparable connection between production and security, and preventive measures are instituted against fire, breakdown, and disturbances;

-- and exemplary achievements in reinforcing socialist legality are being appreciated and publicly acknowledged.

Such a political-ideological approach reinforces the conviction in the collectives that socialist legality is an objective requirement for target-directed and regularly coordinated action. Everyone can see that ensuring a steady production without losses is an essential foundation for the all-round fulfillment of the plan tasks and thus ultimately--in line with the deeply humanistic bent of socialist economic management--benefits each individual in improving his material and intellectual-cultural standard of living. This realization is a basis for the inference drawn by the working people to carry out the tasks in consolidating socialist legality as an inherent component of their competition commitments.

In the leisure time domain also such a working method conforms to the citizens' need for regulated conviviality. Here it is mainly up to the local people's representations to increase their efforts to enforce socialist legality, strict order, and security in the territories. Together with the combine and enterprise managements, and based on the law on the local people's representations, the working with long-term programs has to become more expert. As was underscored in November last year at the SED Central Committee's and the GDR Council of Ministers' conference with the kreis council chairmen, the governing city mayors and the city district mayors, (Footnote 2) (Cf. Willi Stoph, "Local State Organs in the New Phase of Shaping Developed Socialism," EINHEIT, No 12, 1986, pp 1065 ff; Egon Krenz, "Successful Communal Policy Development--Of Great Weight for Peace and Public Prosperity," *ibid.*, pp 1079 ff.) it is, above and beyond that, part of the fundamental tasks of the local state organs to use more comprehensively still the citizens' initiatives for preventing accidents, disturbances, and law violations, whereby then to achieve permanent results. Special encouragement is wanted for the social mass movement promoting the exemplary observance of order and security as a component of socialist competition and the struggle for the honorific "collective of socialist work" in the work collectives, and the organized citizens' initiative in the residential areas.

Through the socialist state's efforts on behalf of protecting the life, health, and property of men, preserving public order and security, and ensuring the rights of the working people, it has a great impact on the citizens' conviction

that in socialist society nothing is done for its own sake, but everything is subordinated to the meaning of socialism, to doing everything for the good of the people. From understanding the economic and social function of legality, order, discipline and security there grows the readiness to observe technological order and discipline at work, play an active role in health and fire protection and accident prevention, carefully handle the entrusted material and financial funds, as well as advocate safe and orderly conditions in the leisure time domain. The party and the government see to it that the state managers, in close cooperation with the social organizations, purposefully promote such attitudes by setting up conditions for undisturbed work and generalizing good experiences.

More and more citizens get the idea that work is easier, less stressful, and intensive if one can be sure things are all right at work and at home. This stimulates their readiness to make more of a contribution of their own to the strengthening of socialist legality. Such working peoples initiatives received high tribute from Comrade Erich Honecker, general secretary of the SED Central Committee, in the Central Committee report to the 11th party congress: "With pleasure we observe the growing readiness of the working people to take part in reinforcing order, security and legality." (Footnote 3) ("Bericht des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands an den XI. Parteitag der SED," Dietz publishing house, Berlin, 1986, p 81).

The constructive attitude toward socialist law, the citizens' determination not only to respect the legal norms but, within the scope of social bodies and on different levels, to take part actively themselves in working for enforcing them, also is an important aspect of the further deepening of socialist democracy. Each state manager therefore should deliberately promote such activities, create the necessary conditions for the activity of those social bodies, and use their work results in his own management activity. This way one can make sure that more and more citizens exercise their basic right of partnership and understand their commitment to socialist society as taking a conscious part in the exercise of political power.

What has also been found very useful is the public debate on drafts for basic decisions by the local people's representations on issues of order and security. For instance, the democratic debate on the drafts for the municipal and communal regulations in Potsdam Bezirk lent essential impulses to the readiness of the citizens to get actively involved in consolidating socialist legality. There are already 449 towns and communities today and 324 urban residential areas with the title "area of exemplary order, discipline and security." Additional communities and urban residential areas are starting their contest for that title in 1987.

Economic Strategy and Socialist Legality

A qualitatively new stage in the shaping of the developed socialist society in the GDR was initiated with the 11th SED Congress resolutions. Pervasive changes are taking place in the course of the implementation of the party resolutions, in material production as well as in other public domains. The broad application of key technologies increasingly determines the technological level and economy of the reproduction process. Increased labor productivity, the degree

of innovation in production, the scientific-technical level and the use value, quality and cost of products largely depend on the rate in which the key technologies are introduced. That is bound to lead to the use of qualitatively new production equipment. In our national economy we are now using roughly 62,000 industrial robots; their number will be far beyond 100,000 by 1990. The installation of CAD/CAM terminals is going briskly apace. At this time, 17,210 are in operation; the 5-year plan projects a total of 90,000. The scientific-technical progress, above and beyond that, is embodied in the increasing use of microelectronically controlled production and processing machinery all the way to the complex automation of entire production sections. For a speed-up in automating information processes, many office computers will be in use by 1990, in production as well as in the non-material sectors.

Under these circumstances, the demands are rising greatly that are made on man as the main productive force, on his qualification, work attitude, discipline, reliability, and vigilance. Observing technological regulations and quality parameters, ensuring flexibility and production continuity, and strictly abiding by cooperation obligations, including transport, transshipment, and storage processes, objectively call for a higher level of order and discipline throughout the entire reproduction process.

Let us take just one example: In modern production plants one can sometimes find today values of millions concentrated in just a few square meters. Such value concentration is bound to lead to high sums for damage in breakdown, fire and disturbances. Compared with 1970, a fire of equal size may today cause damage three to ten times as high. Furthermore, according to experts' estimates, the subsequent damage caused by fires may now be up to 24 times as high as the original fire damage itself.

The state managers, therefore, must get set cautiously in paying attention to the safety conditions for reliable operation when modern technologies, procedures, and high-tech equipment are brought in. Novel techniques and technologies as such create no order yet. Their effective use and safe operation always presupposes organization, discipline, order and utmost cleanliness on the job. Every laborer therefore must be perfectly familiar with and control the demands the scientific-technical progress makes on order and discipline in his sphere of responsibility. Here industrial regulations have to enforce the kind of regimen that ensures strict technological discipline and order on each job, and an atmosphere has to be created in the work collective where each can rely on others.

The growing demands made on observing legality, order, discipline and security are bound to require more skill in prevention. Progressive enterprises are demonstrating how, on the basis of careful analytical work, ripening problems can be recognized in time, weak spots be uncovered, circumstances favoring disturbances, fires, breakdown, and also law violations can be prevented. It is mainly important to look at analytical work as a continual process and always again to update the priorities for ensuring order and discipline. Practical experiences have taught us that campaign-type efforts do not reinforce legality.

Hazard estimates play a special role. They come out of complex technical safety surveys of production processes and installations. Preparing and constantly improving them, in line with changing conditions, is an essential managerial prerequisite for purposefully avoiding danger sources. Insights gained from such analyses must, through the requisite steps toward further strengthening order, discipline and security, be integrated with the parts of the enterprise or combine plans (maintenance, investments, rationalization), and their effective implementation must be placed under regular controls.

An important managerial task is to apply the order and security regulations in everyday work. The management tools for it include norms, operational instructions, rules of conduct, and technological provisions and regulations. Proceeding from laws and other legal regulations, they contain instructions on acting under concrete industrial conditions. The point is not to have as many documents as possible, but rules containing precise, well organized, intelligible, timely and controllable regulations gained from broad analysis and the use of the working people's various suggestions. Strictly controlling their being enforced and having them rehearsed in the collectives through practical exercises--therein we find the guarantee that the working people resolutely follow the demanded rules of conduct in an emergency.

Prevention categorically demands effective controls. "He who wants to manage properly, must control," is the principle. Control, as Lenin showed, is not mainly a matter of 'spotting,' but rather of improving the work in the interest of all. (Footnote 4) (Cf. V. I. Lenin, "On the Tasks of the Workers and Peasants Inspectorate, How They Are to Be Understood and Implemented," "Werke" [Works], Vol 33, Dietz publishing house, Berlin, 1962, p 22.) Any kind of control, be it that it generalizes good experiences or traces shortcomings or prevents losses--always is a contribution to tapping performance reserves and protecting what the people have created.

The experiences in implementing the 11th party congress resolutions indicate that controls will gain in weight considerably. And here the following aspects have to be steadily perfected:

--The preventive character of controls must be further developed. One must uncover shortcomings, failures, and errors in good time to spare the society damage.

--More attention must be paid to the complex character of controls. All control organs must take into account more the objectively increasing intertwining of economic with industrial processes.

--The coordinating character of controls must be ensured throughout. The state and social controls are to be more closely combined through improved coordination and a target-directed assignment of interdisciplinary specialists and control personnel.

--More must be made of the educational character of controls. Relying on the participation of many working people, one must constantly bring an influence to bear on the formation and consolidation of the responsible thoughts and actions of all. Here one should also improve the comprehension for the unity between the right to work and the duty to work.

--Controls must effect positive changes. One must, together with the ones responsible, analyze the results of the controls right on the spot and correct all that does not conform to resolutions, plans, and instructions and give room to the new and the progressive.

Special responsibility for it goes to the Workers and Farmers Inspectorate, the most comprehensive state and social control organ of the GDR. In analyzing good results in ensuring order and security, drawing general rules from them, detecting defects and pointing to ways for overcoming them, the more than 250,000 control agents, particularly, through their committed efforts, are making an important contribution to strengthening our socialist state.

Further training the controllers also requires linking the activity of the control organs more with in-house control in the combines, enterprises, and collectives while significantly raising the level of in-house control. In this sense entirely one is seeking to inform the collectives in detail about their rights and duties, which they will then turn more and more into a yardstick for their actions. Such an approach also is an expression of creative work and an important guarantee for the strict observance of legal regulations in the combines and enterprises.

The level of prevention efforts to avoid infringements of socialist legality in the enterprises significantly depends on how well the state managers know how to use collective experiences and develop the active participation of social forces. There are many different groups--including security activists groups, commissions of the Workers and Farmers Inspectorate, FDJ sentries, traffic safety activists groups--effectively assisting the state managers in carrying out their responsibilities through analytic work, the generalization of good experiences, control measures and target-directed publicity. And time and again this confirms the important experience: Legality, order, discipline and security are brought about in our society through the conscious activity of the people. Thus, permanent successes in this field can be achieved only when the working people know their legal rights and duties and acquire, through job-related training, the necessary knowledge, skills and facilities in health and fire protection and labor safety, in preventing breakdown and disturbances and observing the technical instructions for a faultless production. This is a process that has to be purposefully promoted through material incentives. It is up to the state managers presciently to focus the educational and training process on those requirements which scientific-technical progress is going to make on the working people in the future. Included in that is submitting task-related legal knowledge, because schematic interpretations of legal regulations or sporadic instruction are of little use. A decisive concern of the political-ideological work in the process of further implementing the main task with its unified economic and social policies is to see to it, through generalizing good experiences and through working with positive examples, that educating the working people to abide by socialist legal norms voluntarily, to protect socialist property, and to ensure conscious discipline and strict vigilance is subject to general encouragement. But where there is a lack of conscious insight and duties are grossly violated, the possibilities provided by our socialist law must be totally exploited also.

Respect for the law is today an important criterion for socialist personality development. The SED is intent on developing modes of conduct and the relations among the working people in such a way that the unity of rights and duties is felt to be and is respected by all citizens as an indispensable moral principle. We must thus develop their political and legal consciousness to the point where they will deliberately and actively pursue their duties to the society and the state while keeping fully aware of their comprehensive rights. It is therefore an important concern of political-ideological education to heighten our vigilance regarding law violations. The party organizations in the state organs, combines, enterprises, institutions and residential areas are on top of that process; they lend it the orientation it requires and, through constantly new impulses, ensure its continuity and effectiveness.

Millions of GDR citizens are actively involved in enforcing order, discipline and security. That includes, among others,

- 6,750 security activists in state organs, combines, enterprises and institutions
- 174,000 volunteer helpers of the German People's Police
- 467,000 members of the volunteer local or enterprise fire department
- 1,986,000 house sign-out book recorders
- 285,200 members of social collectives for traffic safety in enterprises, institutions and residential areas, including 151,000 in 27,339 traffic safety activists groups
- 266,095 members in commissions and committees of the Workers and Farmers Inspectorate
- 307,526 labor safety agents in trade unions
- 106,314 workers controllers in trade unions
- 63,500 members of FDJ public safety groups
- 52,930 lay-judges
- 250,567 members in 27,831 conflicts commissions
- 55,911 members in 5,552 arbitration commissions

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SUMMARIES OF MAJOR EINHEIT ARTICLES, FEBRUARY 1987

East Berlin EINHEIT in German Vol 42 No 2, Feb 87 (signed to press 14 Jan 87)
pp 98, 192

[Summary of article by Horst Sindermann, member of the SED CC Politburo and president of the GDR People's Chamber; pp 109-115. A full translation of this article is published in this report under the title "National Contribution to Peace Effort Examined,"]

[Text] Mankind's Survival--the Paramount Global Problem

With a compelling logic of thought and reviewing personal experiences in the struggle and through life, and while taking issue with the policy of the most aggressive imperialist circles, it is being demonstrated why the forces of peace, reason and realism are growing in the struggle against the Moloch of a world-annihilating atomic war, with how much supremacy the peace program of socialism, mobilizing for that purpose, contrasts with the U.S. imperialist strategies for world conquest, and that the GDR is making its active contribution to solving this most important global problem.

[Summary of article by Prof Dr Max Schmidt, director of the Institute for International Politics and Economics of the GDR, vice president of the GDR Peace Council, chairman of the science council of imperialist research, and member of the EINHEIT editorial staff; pp 116-121]

[Text] The Earth--the House Humanity Shares

On the threshold to the third-millennium civilization faces a package of great strategic--political, economic, scientific-technical and social--challenges of existential importance. What global problems are facing mankind? On what do their solutions depend? What fields for a promising international cooperation to cope with them are there?

[Summary of article by Horst Sackesny, *Journalist*; pp 177-177]

[Text] U.S. Doctrine Against the Peoples' Peace and Liberty

About the "conflict of less intensity"—a specific variant of the U.S. military strategy, aimed at suppressing the right to self determination of the peoples in the developing countries, with the aim of securing in the "third world" the global supremacy claim of U.S. imperialism. Undeclared war, murder, terror and violence are among the chief components of this doctrine of intervention. What reflects the CIA's higher plans value?

[Summary of article by the EDITORIAL STAFF; pp 178-179. A translation of this article is published under the heading, "SED Economic Strategy, Too Close Explained," in a recent (SPR) issue of EAST (EAST REPORT) ECONOMIC AND INDUSTRIAL AFFAIRS]

[Text] On the SED's Economic Strategy With a View Toward the Year 2000

Our party's economic strategy is the economic growth concept of our economy moving toward degeneration that involved throughout a long developmental process. Its priorities were presented with the emphasis on how the advantages of socialism must still more effectively be filled with the scientific-technical revolution. In conformity with the content of the economic strategy, the content of the socialist planned economy is being shaped: the continuous being is backbone—with the aim of the highest possible development of the working people's creative initiative.

[Summary of article by Prof Dr Albrecht Krutzschmar, research group chief in the Institute for Marxist-Leninist Sociology of the Social Sciences Academy under the GDR; pp 137-142]

[Text] Scientific-Technical Revolution and Personality

The processes connected with the development and broad application of key technologies for many become more and more an important field of experience in socialist personality development. What new demands are placed thereby on the individual, where do they come from, and how can one purposefully encourage the development of capabilities, characteristics, and modes of conduct needed for it?

[Summary of article by Ilse Thiele, member of the CC SED, chairperson of the DFD (Democratic Women's League of Germany); pp 143-148. A full translation of this article is published in this report under the title, "Women's Organization, Equal Rights Lauded."]

[Text] The DFD--the GDR's Unified Women's Organization

As the unified democratic organization for women of all classes and strata, the founding of which 40 years ago initiated a turning point in the history of the German women's movement, the DFD has always made an important contribution to the revolutionary development in our country and the implementation of women's equality. What tasks are derived for this important mass organization from the 11th party congress resolution? The 7th national congress in March 1987 will consider how real equality can be made still more effective as one of the tasks of socialism.

[Summary of article by Prof Dr Bernd Gehlberg, department chair at the Institute for International Politics and Economics of the GDR; pp 148-151]

[Text] Hunger as Challenge

Hunger, one-fourth of mankind suffers from chronic hunger, millions of people, mainly children, become its victims each year. Representing it is among the most pressing humanitarian precepts of our age. What dimensions does the food problem have today? What are its essential causes? For what motives must imperialism and its colonialism and neo-colonialism be held responsible? What can already be done to resolve it? Wherein lies there the key function of the struggle for ending the arms race, for disarmament, and for securing peace?

[Summary of article by Prof Dr Rudi Guendel, top science associate at the Institute for International Politics and Economics of the GDR; pp 151-153]

[Text] Imperialist Rivalry in the "Technological War"

About the increasing toughness and dimensions of the rivalry among the imperialist power centers of the United States, Japan, and Western Europe in the high-tech field. What marks the contest among capitalist countries for R&D leads and production and market shares in the science-intensive branches? How does the dialectics between cooperation and competition express itself in the international monopolization process in the high-tech field? What aims are the three rivals seeking in this field in the 1990's?

USSR, SOCIALIST COUNTRIES' PEACE INITIATIVE SKETCHED

East Berlin EINHEIT in German Vol 42 No 2, Feb 87 (signed to press 14 Jan 87)
pp 102-105

[Article by Prof Dr Georg Grasnick, deputy director of the GDR Institute for International Politics and Economics: "So That Only Years of Peace Ensure"]

[Text] The first weeks of 1987 already show that the peace forces around the world are unabating in their efforts to ban the risk of a nuclear inferno, as conjured up by the U.S. military-industrial complex, and ensure the survival of humanity. This realization is growing: as the international situation continues to be complicated and very tense, the word of peace must become still more articulate and our own efforts must be brought to effect all the more in the worldwide confrontation with the forces of the confrontation and arms buildup course. In this the peace-loving and progressive forces rely on experiences of the UN peace year of 1986 and on results bolstering their determination to fight with strength and tenacity so that the 1986 peace year will be followed by more peace years, and only peace years.

The Soviet Union, as one knows, had prepared that year with important initiatives and deeds. With its moratorium on nuclear tests, entered into unilaterally and in effect since 6 August 1985 and extended several times, it demonstrated what a first step toward disarmament can look like. Already in January 1985 it had proposed in Geneva, as a mandate and objective of the then imminent USSR-U.S. disarmament negotiations, to prevent an arms race in space, end the one on the earth, limit nuclear armaments, and reinforce strategic stability. In view of the broad consent from the international public, the U.S. Administration found itself induced to accept that proposal. In the outcome of the November 1985 Geneva summit, the logic of the nuclear age, as championed by socialism, was endorsed by Mikhail Gorbachev and Ronald Reagan in the announcement they signed: A nuclear war must not be unleashed, no one can win it, any war between the two superpowers, be it nuclear or conventional, must be prevented, and neither side will seek military superiority.

The purpose and consistency of the course steered by socialism which--in contrast to Washington's irrational policy of strength--expresses the strength of a policy that follows the precepts of reason and realism in the nuclear space age, stood revealed in 1986 through important initiatives from the Soviet Union and from the Political Consultative Commission of the Warsaw Pact states--initiatives borne

by the party congresses of the CPSU, the SED, and other fraternal parties. Millions and millions of people on all continents are vastly encouraged by the propositions to rid the world by the year 2000 of all nuclear and the other mass destruction weapons and to reduce the conventional armaments radically in Europe, where the biggest military confrontations are confronting each other, from the Atlantic to the Urals, in conformity with the principle of equality and equal security.

The peace forces find their own hopes and demands reflected in the proposal known by a readiness for compromise, which the Soviet Union brought to Brezhnev, on eliminating U.S. and USSR strategic weapons gradually, doing away with the medium-range weapons of both sides in Europe, limiting the number of such missiles in Asia and the United States, and abiding by the ABM Treaty. At international meetings, conferences, and symposia, the idea, formulated by the 7th CPSU Congress, of an all-inclusive system of international security based on agreements on fundamental measures in the military, political, economic, and humanitarian fields are being discussed and made more concrete.

In the constructive proposals and initiatives of the socialist states and the dissemination of the peace forces in the various circles that let themselves be guided by reason and realism have brought it about that the 15 years past of 1966 to present and the Brezhnev summit in particular created a changed political and psychological situation in the struggle for preventing a nuclear war. The peace policy determined by decisions, which emphasize "new thinking and a new responsible approach to those problems that determine our fate today" in conformity with the new situation in the nuclear space are (Footnote 1) (Erich Weisner, "Themen: Internationales und Friedenspolitik vom Sozialismus und den Frieden, 2. Tagung des ZK der SED" [Our Summit's and Foreign Policy Service Session and Peace-Security 1986 Central Committee Session], Dietz publishing house, Berlin, 1986, p. 6), to increasingly being shared by broad circles of diverse social strata and political and ideological viewpoints. The realization is growing that only the security of states can and must be ensured through political means.

"The proposals offered in Iceland's capital by Mikhail Gorbachev concerned not only with the very own interests of the Soviet Union and the United States, but with those of all mankind." (Footnote 2) (Erich Weisner, "Gorbachev, Schöpfung und Tatkraft verwirklichen wir die Menschheitsvision XI. Parteitag, 3. Tagung des ZK der SED" [With Initiative, Creativeness, and Energy We Are Implementing the Resolutions of Our 11th Party Congress—Third SED Central Committee Session], Dietz publishing house, Berlin, 1986, p. 86). Through Brezhnev the knowledge grew in the international public of the real chance for a fundamental turn from arms race to arms limitation and disarmament, and from confrontation to detente and cooperation, and of how to get there. No one can any longer sweep the proposals from the Soviet Union and the Warsaw Pact states off the table or dismiss them as propaganda. They have taken hold of the peoples' consciousness and of the thoughts of many statesmen and politicians of states with differing social orders. They remain the constructive premise for needed advances in the interest of people in all countries. Through the courageous and conciliatory disarmament and defense initiatives of

socialism, the conception of peace to ensure the survival of mankind has become more concrete. The compelling need to eliminate the nuclear arsenals was made the focal point in the attention of men and the international discussion.

Not least, the initiatives by the socialist states to secure peace and the reactions to them by the most aggressive imperialist circles have opened the eyes or sharpened the views of broad segments of the international public to see who is struggling for peace, disarmament and cooperation and who blocks and stifles that struggle. The forces of imperialist reaction, particularly the U.S. military-industrial complex, seeking top profits from their "Star Wars" project, to intensify their confrontation course, and military superiority over the Soviet Union, got all upset about the chance, becoming more feasible than ever in Reykjavik, of immediate and comprehensive concrete disarmament accords. Firmly propagated previous objectives—e.g. the complete abolition of atomic weapons or the zero-solution for medium-range weapons in Europe—they seek to depart under phony pretexts and seek to strike a massive counter-blow. At that, they are using SBI as the chief weapon against any weapons stop or reduction accords. They are banking on the antiquated and everlastingly perilous "policy of strength" to throw the world back to before Reykjavik, liquidate the mandate and objective of the Geneva negotiations between the USSR and the United States, and by breaking the SALT II Treaty completely "open the sluice-gates to an unbridled arm race in strategic nuclear weapons." (Footnote 2) ("USSR Government Announcement on the United States' Breaking SALT II," *NIKS DUTCHLAND*, 8/1 December 1986, p. 1).

The experience of 1986 indicates also, however, that the peace forces are making an still greater effort against the growing threat to peace to preserve peace. The Politburo refers to the 3rd SED Central Committee session stating "that new significant forces advocating peace are boosting their influence in the international arena. Ever more insistently do the peoples raise their voices for peace and peaceful coexistence. The call for a coalition of reason and reason finds an increasingly greater response among the politicians in the non-socialist world." (Footnote 4) (Comrade Bernard Aron, "Aus der Arbeit des Politburos an die 3. Sitzung des Zentralkomitees der SED," *Welt*, publishing house, Berlin, 1986, p. 47).

The worldwide peace movement shows qualitatively new features today: In the countries on all continents the communists' ardent dedication to peace meets with growing attention and open-mindedness by various social forces and movements, and the readiness is growing for broad cooperation in the most important issues of our age. The commitment by trade union associations and movements has developed further, globally and mainly also in many capitalist countries. Scientists, especially natural scientists, and physicians have provided the movement with much additional expertise and combat the myth; they proved in practice the possibility of reliably controlling nuclear disarmament. Artists, writers, poets, and pedagogues resolutely advocate the protection of the elementary human rights. That is attested to by such noted congresses and their documents, resolutions, and gripping appeals—such as the 31st World Trade Union Congress and the ninth congress of the physicians of the world on preventing nuclear war.

The more than 100 states and liberation organizations in the nonaligned movement are clearly bringing a growing influence to bear on the struggle for securing peace and for disarmament. The 8th summit of the chiefs of state and government of the countries in that movement expressed a deepened understanding of the dialectics between peace and development, between disarmament and more favorable conditions of the independent development of these states. Ever greater international resonance is found for the efforts of the six states' initiative (Argentina, Greece, India, Mexico, Sweden, Tanzania). With its "Mexico Declaration" that initiative lent a perceptible upsurge to the policy of reason and realism in the world.

Representatives of governments, Social Democratic, socialist, liberal and even conservative politicians in capitalist countries and many million members of religious communities are rising up against the armaments madness of the U.S. military-industrial complex. Setting up an atomic weapons-free zone in the Southern Pacific, the efforts on behalf of such zones in North-West Europe and in the Balkans, as well as the "principles for an atomic weapons-free corridor in Central Europe," as agreed on between the SED and the SPD, eloquently indicate that the coalition of reason and realism is growing in strength.

For further UN efforts, the 41 resolutions of the 41st session of the UN General Assembly furnished important impulses demanding the halt of the arms race and atomic disarmament, a comprehensive test stop treaty for nuclear weapons, the banning of chemical and other mass destruction weapons and of a first use of nuclear weapons, and global security and a policy of disarmament. That includes in particular also the vote of 154 UN members against the militarization of space.

Socialism, the strength of its policy relying on reason and realism, always again gives rise to new political and stimulating effects on the struggle of all peace-loving people and all peoples against the policy of strength, confrontation and arm-bulldozing. Despite the reactivation of the 100 almost 100 threat by imperialist reaction, more and more people realize that socialism wants peace on earth and in space and that its interests are inseparably from the very own interests of all mankind. It is true for today as for the future, as Comrade Erich Honecker affirmed, "that a strong socialism also is a strong peace, because a strong socialism will block the risk willingness of those who put their bets on the policy of strength, not on the policy of reason and realism." (Thrusts 5) (Erich Honecker, "My Initiative . . .", op. cit., p. 85). How much this realization is rooted in the consciousness of the GDR people, that is attested to by the initiatives, creativity, and energy, by the fine achievements with which our country's working people transform the 11th party resolutions into deeds. Firmly aligned with the Soviet Union and all socialist states, together with all forces of peace, reason and realism, and through dialogue with all who are responsible for the destiny of their peoples, our socialist state and its citizens are doing what they can so that after the 1986 peace year still only years of peace make.

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NATIONAL CONTRIBUTION TO PEACE EFFORT EXAMINED

East Berlin FINRETT in German Vol 42 No 2, Feb 87 (signed to press 14 Jan 87)
pp 109-115

[Article by Bernd Sindermann, member of the SED CC Politburo and president of the GDR People's Chamber: "Mankind's Survival--the Paramount Global Problem"]

[Text] More than 400 years ago Philipp Melanchthon, the most important German humanist of the Reformation, wrote: "Human life without the knowledge of history is nothing but a perpetual childhood, as it were, even permanent darkness and blindness." This idea received a burning relevance mainly for the more recent history of the German people. The older, still living, generation had to endure the two biggest wars in human history, the second one of which mainly was marked by indescribable brutality from the Hitler aggressors, by mass murder and annihilation, threatening to kill even human reason.

As the scientific working-class theory founded by Karl Marx liberated us from this constant darkness and blindness Melanchthon referred to, we also were able to learn -- needed lessons from this experience. In being founded the first German Workers and Farmers state postulated that never again should war emanate from German soil. More in the will of the antifascist-democratic and socialist German state, that demand was formulated as a humanistic principle and made the basis of our party's and state's policy. That allowed Comrade Erich Honecker, as the top representative of the GDR, to announce at CSCE in Helsinki in 1975: "In view of the historic lessons and current requirements of European politics, the respect for and recognition of the principle of the inviolability of borders is decisive. The terrible wars that devastated our continent in this century were the outcome of a policy which--for whatever pretext whatsoever--had their starting point in the violation of existing borders, in the contempt for the sovereignty and territorial integrity of other states." (Excerpt 1) (Erich Honecker, "The Security of the European States Has Been and Is Mainly the Safety of Their Borders," "Erden und Aufbau" [Science and Society] Vol 1, Dietz publishing house, Berlin, 1976, p 162).

That was a German voice, raised in the resistance against war and fascism, imminent (the theme of that international conference). A humanistic German state had crossed the stage of world politics and intervened in world events, pleading for and intent on true humanism.

Today, exercising the responsibility for ensuring peaceful prospects for the nations is all the more urgent. Mankind, after all, faces an unprecedented decision. As there now are nuclear weapons of mass annihilation, war no longer is a continuation of politics by different means. War no longer is a feasible policy; war would be the nuclear destroyer of planet earth. The consequences of a nuclear war in space can no longer even mentally be comprehended by those who toy with the idea. Needless to say, human civilization could not survive them. Risking a "winnable" atomic war, the chance of a nuclear first strike without the risk of an annihilating counter-strike, means evoking the apocalypse, the unavoidable doom of the world.

For a Worldwide Coalition of Reason and Realism

At the third Central Committee session, Comrade Erich Honecker said: "The most important problem we are facing, I wish to underscore that, is preventing the danger of a nuclear inferno evoked by the U.S. rearmament strategists and those who support them." (Footnote 2) ("3. Tagung des ZK der SED, Aus dem Schlusswort des Genossen Erich Honecker," Dietz publishing house, Berlin, 1986 p 87). The SED Central Committee report to the 11th party congress demands the serious will--as a basic position for a worldwide policy of reason and realism--"not to remain stuck in the stereotypes of confrontation and seeking military superiority, but to approach things in a new way, to find new forms and methods in the relations between the different social systems, states, and regions," (Footnote 3) ("Bericht des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands an den XI. Parteitag der SED," Dietz publishing house, Berlin, 1986, p 10).

It is a matter of creating a global system of stable international security in which controversial issues among the states are resolved exclusively by political means, together with broad cooperation, serving human progress, in economics, science and culture, on earth and in space, for reciprocal advantage. If it is the danger of war with the use of weapons of nuclear mass annihilation that threatens the survival of mankind today, and which emanates from the confrontation and arms buildup course, from the militaristic search for superiority by the most aggressive, mainly U.S., imperialist forces, then all political initiatives must be aimed at the goal of making these mass annihilation weapons disappear. That is the core of the strategic offensive of the countries in the socialist community of states to secure peace and of their distinct initiatives and concrete deeds, their constructive ideas and proposals on nuclear and conventional disarmament, troop reductions, and on forming trust and controlling such measures.

During his October 1986 meeting in Reykjavik with U.S. President Reagan, Mikhail Gorbachev, with a package of constructive and concrete propositions, confirmed that the USSR and its allies have opened the door to international politics based on reason and accountability to the people, on balance, equilibrium, and discretion. Responsible policy in international relations must conform to that goal today. You cannot do away with the weapons threatening mankind through a policy of confrontation as pursued stubbornly by the forces of the military-industrial complex in the United States and other NATO states, for such a policy acts like a fuse on a powder-keg which, unless it is squelched, triggers the nuclear inferno. A policy of cooperation hence must replace the confrontation policy.

No one denies that that is not simple; one must, after all, cooperate above and beyond what separates and seek agreement in matters of securing peace. Now thinking, a new responsible approach to the problem of war and peace, is wanted. An enormous task, which can be resolved only if the responsibility for life triumphs in inter-state relations. A modern conception, which is oriented primarily to the defense of life, must become self-evident in international politics.

Our party, having turned scientific socialism, dialectical and historical materialism, into the principle of its policy, is aware of that responsibility and consistently applies the policy of dialogue. By this responsibility were borne the initiatives of Comrade Erich Honecker in his political dialogue with the representatives of many European states, NATO member countries among them. These international discussions were concerned with matters of effective disarmament as a protection and shield of life, the backing of a fruitful course and substantial results of the Geneva, Vienna, and Stockholm negotiations, mutual understanding of positions and the forming of trust, combined with a constructive search and cooperative relations in the economy, science, and culture on the basis of mutual advantage. This broad policy of dialogue evidently also demonstrates what chances smaller and medium-size states have to do something through practical steps for a recovery of the international situation. This policy of dialogue has brought great respect for our socialist German state, as has also its dynamic economic, political, and cultural development, in international life.

This new spirit has found consent and endorsement worldwide from all who are committed to the continued existence of world civilization. It conforms with the efforts of many responsible politicians who through practical steps are setting examples for a humanistic approach to solving the most important problem of mankind, the preservation of peace.

The Delhi Declaration about the principles of a world without nuclear weapons and force, in the outcome of Mikhail Gorbachev's friendship visit in India, demonstrates such new political thinking in international relations, in line with the conditions of the nuclear space age.

In their peoples' name, the representatives of the nonaligned states at their Harare Summit resolutely turned down the U.S. confrontation policy and neo-colonialism. The representatives of Greece, Argentina, Tanzania, Mexico, Sweden and India, with the Mexico Declaration, adhered to the spirit of international détente. Finland became the initiator of creating a nuclear weapons-free zone in Northern Europe. Greece is pressing for guarantees for an atomic weapons-free zone for the Balkan States. The proposal from the unforgettable Swedish politician and statesman Olof Palme on forming an atomic weapons-free corridor in Central Europe led, through constructive negotiations between the SED and the SPD, to a pertinent draft treaty. These initiatives--created in the political dialogue--reflect new modes of conduct in international relations, attributable to the course of the policy of détente and peaceful coexistence of states with differing social orders. In such an atmosphere alone can new forms and methods of mutually advantageous cooperation in the economy, science and culture be developed.

A broad social and ideological foundation exists today for the worldwide coalition of reason and realism sought by our policy. That coalition is made up of the builders of socialism, trade unionists from all continents, farmers and entrepreneurs, the faithful of all sorts of religious denominations, communists and socialists, liberals, conservatives and Greens, intellectuals and workers, former NATO generals and pacifists. Irrespective of ideology, religion, and trade, from most diverse motivations new attitudes are evolving toward war and peace in our era. They are approaching the thesis established by V. I. Lenin on the peaceful competition between capitalism and socialism, they are urging the enforcing of the peaceful co-existence policy. The overriding motif is the sensible fear of nuclear death, the will to survive. Another great stimulus also are the hope and confidence that the billions today put into arms, eating up the GNP even in highly developed capitalist countries and making the problems in the developing countries more and more precarious, be released for fashioning an existence of human dignity. Especially the peoples' struggle for their national and social liberation offers a vast potential to the peace struggle.

Capitalist rule, based on high, on maximum, profits, can no longer deal with the social problems arising out of its own antagonistic contradictions. Modern science and technology data primarily help in militarization, the profitable atomic and conventional weapons business, while that raises to a higher power the immorality of the exploitation of man by man. Higher labor productivity, rationalization give the monopolies gigantic profits, but the masses, unemployment, poverty, pauperization for millions in the capitalist world. A "new poverty," intensified exploitation, cutbacks in social and democratic rights, and thus the destruction of ethical and moral values, have become predominant factors in capitalism. They may carry on and rave about freedom and human rights as much as they want to. When all that remains of freedom for youths is to live under the prospects of modern hobos, if society cannot even guarantee to them the basic human right to work as an elemental basis for existence, then there exists no social order for the future. Capitalism has run into its own limitations. The intention by the most reactionary and aggressive imperialist forces to push through these limits once again through a militaristic world domination policy, is bound to fail thanks to the power of socialism and the gigantic social currents in our era bear it, the all-inclusive worldwide peace movement.

The cardinal contradiction between capitalism and socialism can be resolved only in a peaceful contest between the two antagonistically opposed systems. That is a clear Marxist-Leninist announcement from the 27th CPSU Congress and from the fraternal parties' party congresses. What is the point then of all that babbling about the "threat from the East," the alleged military superiority of the Warsaw Pact, of all that anticommunism, which seems to have become downright pathological with some politicians like Weinberger and Woerner? What do these preachers with their revisionist wishful thinking and what do the philosophers of doom want in seeking to disabuse the peoples of thinking? They pose as the market criers of that handfull of armaments trusts from Lockheed to McDonnell Douglas andHugh Aircraft that are making hundreds of millions from the nuclear arms business and want to reach maximum profits of billions by making more weapons. They could not care less about the more than 15 million poor in the United States or that even today--especially in the

developing countries--over 500 million people are acutely undernourished. To them, more than 31 million unemployed in the most developed capitalist countries are merely a small error. All they care about are maximum profits.

From our knowledge of history and the objective givens, we have to state that the question of preserving and securing peace has not been settled yet, but that the potential for settling it, the contraction of all forces that want peace and actively engage themselves in it, keeps getting stronger. The peace forces derive their courage and confidence largely from the domestic and foreign policy successes of socialism, the countries of which are placing into the scale all their political and economic potential for the good of the people and for peace.

The Strength of Our Socialist Society

The GDR's policy of constructive dialogue, its contribution to forming a coalition of reason and realism on behalf of solving the most important human problem has found recognition all over the world--as we have already said. The GDR's international authority as an integral part of the socialist community of states has its firm basis in the political, economic, and social progress of recent decades, in the continuity of this development, in its political and social order. That is also acknowledged by politicians, parliamentarians, and other visitors from capitalist countries who familiarize themselves with the citizens' life in real socialism. They are confronted with high annual growth rates in all fields of production and consumption and are looking in vain for crisis phenomena. They see an increase in productivity based on science and technology and a more concentrated use of key technologies, and they become baffled about there being no unemployment. They see the youth energetically favoring socialism and are looking in vain for signs of juvenile crime and drug addiction. Many admire the reality of our social policy and ask many questions--simplistic ones at times--about socialist democracy and the role of the workers class in society as about the comradely cooperation, inspiring the initiative and partnership of the people, of all classes and strata. And not rarely they are astonished how we succeed in systematically transforming creative impatience into creative mass energy thanks to the expert leadership of all social processes by the workers class and its Marxist-Leninist party. An expression of vivid socialist democracy is, e.g., that in the 1986-1990 5-year plan deliberations and in those on the 1987 national economic plan more than 6.1 million citizens took part and submitted 777,241 proposals for the plans. Behind them stand the resolutions from 2.5 million trustees and other part-time trade union and enterprise functionaries, documenting the trade union's and their nearly 9.5 million members' right to a say-so in political affairs. After this phase of a direct working peoples participation in drafting the plans, the proposals for the 5-year plan on economic development and the 1987 plan were presented to the People's Chamber, considered by the commissions in the top people's representation, and enacted as law at the third People's Chamber session.

There are 10 factions in our parliament, making it a pluralistic parliament--if you will--on socialist foundation, facilitating and presupposing the involvement of all the people in preparing and enforcing government decisions.

freedom in the capitalist world is there a parliament the deputies of which are firmly rooted within the working people, are chosen, tested, and mandated by them, commissioned by them and accountable to them, a people's representation that unequivocally expresses the people's genuine sovereignty and freedom as the parliament of a socialist state, as the People's Chamber of the CPSU.

Amadeo Franco, the French novelist--with reference to the domicile of the town painters of Paris--described bourgeois freedom by the formal equality prohibiting both the rich and the poor to sleep under the bridges. These bourgeois "freedoms" are depressingly relevant in today's imperialism. The homeless who froze to death this winter in the capitalist metropolises indict that system. In West Berlin 54, mostly young, persons were granted the "freedom" in 1986 to quit by death the "democratic system" through drug addiction--or to quit living without any prospects for dignified conditions. And those who are responsible for the torment of unemployment, the hopeless situation of the poor and the homeless, the low educational level and the illiteracy, those to be blamed for someone having to die sooner because he is poor, for the debasement of women, and for moral decay--they of all people are the ones that talk of defending the human rights!

"The International fights for human rights," so says the international working class anthem. It states that successfully carried out the socialist revolution, that all workers' demands is fulfilled. In socialist countries, unemployment and social misery were done away with, education was placed on a high level, and preventive medical care was ensured--without cost at that. Mother and child got comprehensive care. And much else has become reality that was part of the basic demands of the fighting working class for generations.

Peace Program for the Third Millennium

Today it is all too apparent that the U.S. reactionary-conservative forces are operating in opposition to the peoples' yearning for peace. Taken up by their own contradictions, blind, because of their greed for maximum profits, in the fight of all to live, constrained behind the mental barriers of their militarism, they obstruct the settling of humanity's problems in our age. They have sought themselves in their policy of threatening the peoples with nuclear war because a war unleashed by them would be their own nuclear destruction as well.

When forces that are together in and around the military-industrial complex are heading toward war, the question is raised about the forces that can safeguard peace. These forces exist; their powers grew in the struggle against the Malady of war. Nothing makes that more evident than the peace initiatives coming from the Soviet Union and the Warsaw Pact states. The peoples and governments have a constructive program to look at for eliminating nuclear weapons by the year 2000. That program is of disadvantage to no one, no harm to infringed in its national sovereignty and independence by it. It is worthwhile to all peoples--a program that can only be produced by a political power to which the safeguarding of peace is inherent, or by a society that has depoliticized the sources for war and for working world domination by the capitalist revolution, while it also takes into account not only the interests of the socialist states.

As the workers class through the construction of the socialist states also represents the interests of all classes and strata of the people, the peace program of socialism likewise serves the interests of all peoples, the vital interests of all classes, races and religions. Aimed at protecting men against the danger emanating from the military-industrial complex in the main capitalist countries, that program acts as a catalyst for the policy of reason and realism for it is based on understanding the vital need to rescue the globe from destruction--while it also is an action that transforms the will of mankind into a practical peace struggle.

Searching and thinking mankind has always been looking for the force that would ensure its upward development. If mankind faces the necessity today to avert a nuclear catastrophe that would inevitably extinguish its existence, it will find its way to that force that makes reason, realism and the will to live triumph over all designs at world destruction. This is not a process going on apart from human action. History is made by men. And from all the revolutionary transformation in history there evolved those new ideas and new forces from the masses that, like giants, pushed aside the stones for progress and opened the way to new shores. Are there such giants today that are borne by the strength of the masses and are looking into the far distant future? Since the way was paved to new shores with the Red October, they have grown up, numerous in number. They become manifest in the socialist states and in those with socialist orientations, in the renascent states and in the national liberation movements, in other diverse political forms in and alongside the peace movement, and in thousands and thousands of personalities bravely raising their voices for justice. They can all command today a mighty platform for that struggle by means of the program Mikhail Gorbachev has proclaimed in the name of the Soviet people.

Such a program mobilizes the forces of reason and realism. Ideas are born and activities developed everywhere that are addressing the foundation of peaceful, chemical and nuclear weapons-free zones, zones of peace, regions without mass destruction weapons. Such aspirations already circle the globe. The policy of dialogue is gaining a foothold among governments and statesmen on all continents. Talking together and getting together, settling all problems judiciously and for mutual benefit--that is the policy that is moving more and more governments and parliaments, leading the masses, and opening new opportunities for the peace struggle. This policy has long found the topic through which one comes to an understanding: the peace program that makes mankind come into the third millennium without weapons of mass annihilation. That becomes all the more apparent the more reactionary the policy of the agents of the military-industrial complex becomes. They are not halting the nuclear weapons tests and are violating the NPT II Agreement by building new long-range bombers with atomic weapons aboard because with the "Star Wars" arms program they are pledged in war against progress. They are fleeing forward for it shows anticommunism has become pathological in new. But due to the fact that they, dictatorially, seek to drag all NATO allies into the venture of world destruction, the contradictions within the NATO camp are going to grow.

After the Reykjavik meeting the discussion about the need for disarmament has become livelier than ever. In this discussion, doubts about the reliability of the foreign policy have become louder and louder, even in the name of the NATO

allies. Gorbachev pointed a way. Reagan, by stubbornly insisting on SDI, turned against Gorbachev's proposals and wants to obstruct their implementation. That creates uneasiness among the U.S. allies and within the American people, even in Reagan's own party. In order not to block the way to eliminating the atomic weapons, and not to allow another round of the arms race because of the "Star Wars" program, the demand is raised: there must be an breakthrough behind Gorbachev.

In Korea, the discussion on eliminating medium-range missiles has started. At the Inter-Allied Committee session, when asked what then would happen with the short-range missiles, General Erik Munkner unequivocally replied that there would no longer be a need for deploying them. They, after all, had been counter-measures to the deployment of Sovieting II and cruise missiles.

Our policy, in future too, differs completely starting to Mikhail Gorbachev's *Perestroika* proposals. One especially does the dialogue policy contrast, contrast which is especially to Mikhail Gorbachev and Erich Honecker, with the mutual consciousness of the world destruction strategists, how clear and realistic is our revolutionary dialogue policy, welcomed with attention on all continents. They backed up, on the other hand, and opposed to the demands of the age, to the slogans of anti-communism used that are being shouted out loud with unbridled voices in the *Demokratische Stabilität* faction in Bonn. The reactionary-conservative forces have sought themselves in their mental attitude an outlet of reason and reason in the forward march.

Reconstruction asked for an understanding of history. We have produced it by founding our republic and foreign state. Now, there is nothing left open at all, history has happened and taught us. There are two German states that have to get along together well as as much the peoples' basic interest to make way with the danger of war. Our party and state assume their responsibility to our people and all other peoples in resolutely carrying on their policy, inspired with the mission of justice, for the well-being and happiness of our people and the safeguarding of world peace.

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WOMEN'S ORGANIZATION, EQUAL RIGHTS LAUDED

East Berlin EINHEIT in German Vol 42 No 2, Feb 87 (signed to press 14 Jan 87)
pp 143-148

[Article by Ilse Thiele, member of the SED CC, chairwoman of the Democratic Women's League (DFD): "The DFD--the GDR's Unified Women's Organization"]

[Text] On the eve of International Women's Day, 5 and 6 March 1987, the 12th National DFD Congress meets in our capital Berlin. Thereby our unified socialist women's organization also celebrates its 40th anniversary.

Our congress will come up with a balance-sheet on the four decades in which the life of women has fundamentally changed in our state. It will bring to mind how actively the DFD has taken part in these truly revolutionary changes and, always acting in the interest of women, made an important contribution to the birth and growth of our republic. At that, the experiences and results of the work in the last 5 years will occupy a special place, and those tasks will be the central concern of our deliberations that follow from the 11th SED Congress resolutions on the continued shaping of the developed socialist society relative to DFD efforts in urban residential areas and villages.

DFD members, women of all classes and strata in our republic, let themselves be guided in what they think and do by the requirement and perspective emanating from our party congress. They have already come forward with outstanding achievements toward implementing its resolutions. Proceeding from there, the 12th National DFD Congress is going to appeal to the women for new deeds for the good of the people and the further strengthening of our republic and urge them to take part with still greater resolve in resolving the main task of our age, the safeguarding of peace. So the DFD, true to its tradition, will continue the course that has proven so well for decades and prove itself again an important force in our socialist society.

A New Chapter in the History of the Women's Movement

To take part with all their strength in our country's peaceful reconstruction and the shaping of a truly democratic social order, was the unanimous intent of the women who came together from 5 to 9 March 1947 at Berlin's Admiral Palace for the first German women's congress for peace. They were women from all sectors of the population and of diverse ideologies, representing the existing

political parties as well as unaffiliated women. They were headed by noted communists and other antifascists. As activists of the first hour they had already done a lot in bringing together women from the bourgeoisie who had held on to the spirit of humanism and women who had not been organized in the past. Responsive to the KPD appeal of 11 June 1945, addressing all democratic, progressive forces, the desire for unification also prevailed among the women so as to overcome the former split in the women's movement, the division in terms of class and party interests.

Two years of successful and useful work on the antifascist women's commissions had taught the women how correct it was to set aside what separated them and help surmount through common efforts the horrible results of war. Thousands had followed the call to help mitigate the misery of the people, especially that of the children, to come to grips with the debris the war had left behind, and to make towns inhabitable again, and schools usable. Thereby they learned to cope with much work that was unfamiliar and to assume responsibilities. They overcame lethargy and discouragement in these efforts and found the will to build a new and better future, together with the men, for themselves and their children. So the time came for a firmer organizational union. More than 200,000 women gave as a free democratic decision with their signatures their consent to forming a women's organization. What they wanted, the congress did by founding the DFD, the unified democratic organization for women of all classes and strata, world-outlooks and religious creeds, regardless of party membership. A new page in the history of the German women's movement had been opened.

Consolidating the alliance of all antifascist, democratic forces was always a top concern to the DFD. In its ranks, the unity of women was strengthened as was all they had in common, for which the foundations were laid in our republic, a first in German history. Many women who did not belong to any parties found their field of action in the DFD. Even today the vast majority of the members of our organization has no party membership. They all espouse the best traditions of the progressive German women's movement. "The struggle and model of the greatest leader in the German women's movement, Clara Zetkin, and of the many women and girls who bravely pledged all their strength and lives against militarism, fascism, and imperialist war, and for a peaceful future for the German people, are a spur and obligation to the DFD in all it does." (Footnote 1) (DFD National Executive Board, ed., "Statut des Demokratischen Frauenbundes Deutschlands. Beschlossen auf dem X. Bundeskongress im Februar 1975" [DFD Statute--Issued at the 10th National Congress, February 1975], p 3) That determines the active stance taken by its members. It applies without stricture in our era, when what matters is to concentrate all capacities against the imperialist threat of war, on averting the risk of a nuclear inferno, strengthening socialism, and safeguarding peace.

Alongside the Working Class Party for Implementing Women's Equality

The DFD has always let itself be guided by the lessons of the classic authors of Marxism-Leninism, to the effect that woman's liberation is part of the struggle of the social liberation of the people and, mainly also, a task for the women themselves. In taking for granted that the tasks in the construction

of a new society could be fulfilled only if the women took an active part in them, the SED, in its document on principles and goals, had already pointed out that a special promotion of women was necessary and had defined, among other things, as a tasks of the new democratic order, a "reorganization of social welfare and the protection of mothers, children and adolescents." (Footnote 2) ("Grundsätze und Ziele der Sozialistischen Einheitspartei Deutschlands, Dokumente und Materialien zur Geschichte der deutschen Arbeiterbewegung," Vol III-1, Dietz publishing house, Berlin, 1959, p 625) That impressively documents that our party understood the economic liberation of woman as a crucial prerequisite for equality and from the start paid much attention to deliberately promoting woman, to setting up social conditions that would allow woman to take her proper place in society.

That also was the foundation for the work of the DFD. It helped women become aware of their strength and their role in society. Through purposeful political-ideological efforts, the DFD helped involve women in politics, many of them for the first time as active persons. The DFD helped women find a new attitude toward work and shape their occupation as part of their lives; it encouraged them in the intention to take an active part in all public domains. Of decisive importance to it was the proclaiming, even in the first years of our new beginning, of their equal right to work and our introducing the principle of "equal wages for equal labor."

Above and beyond the constitutionally guaranteed equality between man and woman, that created fundamental prerequisites for fashioning the new social position of woman. The DFD deliberately furthered that development. An example of it was its initiative for the 1950 International Women's Day. On that day our organization submitted to the GDR government--to its Premier, Comrade Otto Grotewohl--proposals for preparing a law that had been introduced and discussed in many women's conferences for helping overcome the still existing inequities and improve the living conditions for women and mothers. These were proposals for an act on mother and child protection and woman's rights, which was ratified still that year on 27 September by the GDR People's Chamber. It is wholly justified to call it one of the basic laws in our state, which had great effects on the life of female workers, on mothers and children, by which equality made great headway. It created conditions that made it possible to release and develop the women's capacities and capabilities for the soon thereafter ensuing construction of socialism. That act, as Comrade Erich Honecker writes in his biography, "From My Life," "forms the basis for systematic conformity between constitutional rights and social reality, for paving the way for millions of women for a voluntary and equitable participation in the social production process and for encouraging their intention to acquire the knowledge needed for it." (Footnote 3) (Erich Honecker, "Aus meinem Leben," Dietz publishing house, Berlin, 1980, p 322).

Real Equality--One of the Sources of Socialism

It has long become an accepted fact in our life that women are equal partners in all sectors of our society, investing their capacities and capabilities deliberately for our socialist state and for peace. Comrade Erich Honecker called woman's equality "one of the sources of socialism, a proof for its superiority

to other social orders." (Footnote 4) (Ibid., p 325). In the time since the 8th SED Congress that has most impressively been confirmed.

The course of the main task with its united economic and social policies also challenges women's capacities and capabilities to an unprecedented extent. It also sets up, step by step, increasingly better conditions for their efforts at work and in society as well as in exercising their domestic role and tasks.

The SED Program, issued by the 9th party congress, which sets as a goal for the developed socialist society, "to create all the conditions so that the social relations and physical and mental capabilities of men can fully develop," also contemplates the further promotion of the family and sets this as a task: "The conditions for working mothers with infants and children at school age are systematically being improved." (Footnote 5) ("Programm der Sozialistischen Einheitspartei Deutschlands," Dietz publishing house, Berlin, 1976, pp 22, 25).

Large steps have been taken toward achieving these goals. Today, 91.3 percent of the women, 4.9 million, that is, are working, learning, or studying. In 1985, already 81.5 percent of the working women had completed vocational training. Some 40 percent of all who attend retraining courses to master new scientific-technical demands are women. Their proportion in responsible governmental and economic functions has risen to over 34 percent. (Footnote 6) (Cf. Comrade Erich Honecker, "Bericht des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands an den XI. Parteitag der SED" [SED Central Committee Report to the 11th SED Congress], Dietz publishing house, Berlin, 1986, p 77) That, no doubt, stands up well to international competition; to us it also is an incentive to keep moving on that way.

The women's proportion in the people's representations comes to 37.7 percent. That of the 78,038 women in the People's Chamber, the bezirk and kreis assemblies, and the local people's representations as deputies more than one out of four bears the DFD mandate, and the parliamentary group of our women's organization in the People's Chamber has 32 members, again underscores its role in our socialist society.

Purposefully and systematically have the working and living conditions, especially of the working mothers and families, been improved through the sociopolitical program. That includes the 40-hour work week for all fully employed mothers with two children belonging to their own household, up to 16 years of age, the maternity leave, coming to 26 weeks since 1976, and the paid baby year for mothers--since May 1986--even after the birth of the first child. Paid leave to take care of sick children is granted to all working mothers with two children already, and in May this year another increase in state child-money will take effect. The higher credits for young couples to M 7,000 and the rise in the age limit for granting such credits from 26 to 30 years also are part of it. More and more families reap the benefits of our magnificent housing construction program, which is being implemented with success.

Thus the Central Committee report to the 11th SED Congress was in the position to state: "Thanks to the active participation by all social forces, in particular the trade unions, the DFD, the FDJ, and the state and economic management

organs, the premises have been laid for that the women can better combine their vocational and social commitments with their maternal duties and the life of families is eased. As citizens, workers, and mothers, women are making a highly to be appreciated vocational and public contribution. Simultaneously, the women may rest assured that the party will continue to back them in their specific concerns in promoting their capabilities and their venture for innovations." (Footnote 7) (Ibid.). Many kinds of tasks result from this for the DFD.

DFD Facing New Tasks

If one reviews the work our women's organization has done in the 40 years of its existence, one may rightly say it has made an active contribution to developing the public position of woman in our country. It has always derived its work from the tasks assigned by party and state in the various phases of our social development and then always addressed the political and practical tasks that moved to the center with implementing woman's equality. If the emphases on our work were subject to changes and the tasks themselves changed, GDR experience still teaches us that the implementation of equality, the positive change in the life of women, does not render the work of the women's organization redundant. Its importance is not curtailed. From the women's active participation in vocational and public life, their high educational level, and their growing intellectual-cultural needs, rather, new tasks and demands arise. The SED Central Committee welcoming address to the 11th national congress in 1982 underlines this: "The manifold mass activities of the women's organization is something no thought could erase from the public life in our country. Especially today they are but gaining in importance." (Footnote 8) ("SED Central Committee Welcoming Address for the 11th National DFD Congress," NEUES DEUTSCHLAND, 5 March 1982, p 1).

Always and everywhere to be active on behalf of the women, help ease their lives and see to it that in residential areas also strict attention is paid to the concerns of the working mothers and their families, are tasks the DFD is addressing more and more.

In all of this we assume that by far most women in our republic take part in the political and cultural life in their enterprise, in their work collective. Their expectations and demands made on the life in the residential areas are affected by it too. Many working women and mothers now have a greater desire and need to make their leisure time more meaningful and recreational and get more out of their personal interests and cultural-creative needs. To take that increasingly into account, is a concern of the DFD.

The main task is and remains involving all women in the peace struggle, the further development of their socialist consciousness, and the strengthening of their confidence in the working class party and our socialist state, in the policy that is aimed at the well-being and happiness of the people. So it is also a result of the DFD's political-ideological work that the women in our republic come to understand more and more profoundly the advantages of socialism and the inseparable unity between socialism and peace and contribute more and more consciously to the securing of peace on their jobs as by their active involvement in their urban residential areas and villages.

An important ingredient of the DFD's political efforts lies in further enhancing the women's internationalist thinking and acting, the further development of anti-imperialist solidarity. We maintain close friendly relations especially with the women's organizations in the fraternal socialist countries but, above and beyond that, maintain also good relations with women's organizations in non-socialist states. The DFD occupies an active and respected place in the International Democratic Women's Federation.

Since we know that a strong peace requires a strong socialism, the DFD regards it as a concern of the first order to strengthen our republic through good deeds. Through manifold initiatives, the 17,965 DFD groups in the urban residential areas and in all villages and many boroughs take part in solving economic tasks. They uncover reserves and use them. They mobilize many women for solving local and communal tasks and for taking on seasonal projects in socialist agriculture. Highly to be recognized is their contribution in the "Join in!" competition of the National Front, in collecting secondary raw materials, and in helping in the readying and structuring of playgrounds and vacant lots for children.

Thousands of DFD members on customers advisory councils in commerce and service facilities ensure good public supply, customer-friendly working hours in stores, or altogether relief and improvement for shopping conditions.

As in all the years of its efforts, today also the DFD sets great store by actively assisting our socialist state's social welfare and family policy. From neighborhood aid for working and shift-working mothers to assuming sponsorships for childrens' facilities and their tried and tested assistance to schools ranges the initiative-rich involvement of our members. The counseling centers also are developing broad activities in the interest of the women and families and in propagating modern time-saving household activities.

Growing importance in DFD work attaches to its involvement in developing an intellectual-cultural life and in organizing meaningful and recreational leisure time for the women in towns and villages. That includes interesting and imaginative mass activity in which confident personal conversations as well as public women's meetings have been found most useful. New forms of political information and discussion, being of interest to many women, were developed through the forums for politics, economics, and society. "Culture and leisure meetings," sponsored by DFD groups, have met with special response; in them interested women meet from all population circles for art work, handicrafts, and studying literature and art.

These diversified activities of the organization help involve more and more women in public life and in solving joint tasks. With all that, it continues to be our concern to attract, in addition to members, especially those women and to involve them who now are not working, permanently or temporarily, but seek and desire friendly contacts in their residential area.

In line with the alliance policy practiced in our republic, the organization has long maintained close, friendly relations with women from the crafts and trades and with the Christian population. Many of these women have found their

political home and field of public activity in the DFD. Here they become active on behalf of women, dedicate themselves to the strengthening of the GDR, and give support to our socialist peace policy.

The successes of our acting as the representatives of women's issues and of our close collaboration with women of all classes and strata also have noticeably expanded the organization's influence among young women. In the competition in honor of the 11th party congress more than 79,000 women were newly recruited into the DFD—71.7 percent of them below 35 years of age.

Nearly 150,000 functionaries were voted into the boards of the groups in October last year. They do indefatigable, imaginative, and useful work for the women and for our republic. Such results are a fine basis for the organization's efforts toward the continued shaping of the developed socialist society in the GDR.

In confident talks with a national executive board delegation shortly after the 11th party congress, Comrade Erich Honecker paid tribute to the great contribution the organization has been making in strengthening the GDR as a socialist state and in the safeguarding of peace. He expressed the expectation that the DFD would equally imaginatively exploit the 11th party congress resolutions and help in their implementation. That is our duty.

We shall stake out new goals for that through the 12th National DFD Congress, which is being prepared through a comprehensive competition under the slogan "Everything for the Good of the People and for Peace."

5885

CSO: 2300/194

TISZATAJ TO REAPPEAR IN MARCH WITH NEW EDITORIAL BOARD

Budapest MAGYAR NEMZET in Hungarian 13 Feb 87

[Report by B. N.: 'TISZATAJ will be published again in early March-according to the government spokesman's response to a question from MAGYAR NEMZET']

[Text] At the press conference government spokesman Rezso Banyasz first described the experiences of the plan fulfillment of the people's economy over the last year. He stated that the chief findings of the Council of Ministers essentially correspond with the evaluation made at last November's Central Committee [CC] meeting of the Hungarian Socialist Workers Party [MSZMP]. At the same time, however, the report of the Central Statistical Office [KSH] revealed further weaknesses which were not visible prior to the end of the year. Based on this, the government considered various urgent, specific tasks that confront the individual ministries with respect to organizing the economy. These tasks are the same as those designated by the CC last November, which serve as the basis for unified action.

Concerning planned work force re-groupings the spokesman recited the fact that the government is monitoring these processes and that it is taking preliminary action. Neither an accurate figure, nor an approximation may be made at this time regarding the actual volume of work force re-groupings. There is no basis upon which one could say whether the process will involve 10,000 or 100,000 workers. An acceleration of the movement responsive to economic regulatory measures, and a focusing of the movement in a direction where employment becomes most economical and efficient would be desirable, the spokesman emphasized.

Responding to a question raised by the Hungarian Telegraph Agency [MTI], Banyasz reported that according to the reports of people's controllers there is no substantial improvement in, or progress being made regarding the quality of residential dwellings. According to conservative estimates, damages caused by inferior workmanship amount to an annual 2 milliard [2 billion] forints. For this reason, after debating the report of the Central People's Control Committee [KNEB], the Council of Ministers established tasks to be accomplished by the Ministry of Construction and by various councils. A

guide, that clearly shows the rights and duties of apartment dwellers will be prepared in order to enable both tenants and landlords to protect their interests. Yet another measure is expected to produce improvement in quality: beginning January 1, workmen may submit their final invoices only after the discontinuance of deficiencies they were supposed to remedy.

[Question] KNEB has examined the lessons learned from the implementation of the law providing for mandatory education. Not too long ago, this was the subject of heated debate at the Education Committee of Parliament also. Could you summarize the findings of the people's controllers?

[Answer] The report discussed at Thursday's session of the Council of Ministers is the result of a joint study by KNEB and the Ministry of Culture and Education. The main concern relates to elementary school education. Several years ago the elementary school curriculum had been revised, based on what was supposed to be extremely modern pedagogical conceptions. It appears that in practice, this modern pedagogy did not take into account the peculiar attributes, the physical and psychological capacity of childhood. As a result of the excessively expanded curriculum many fell behind even in the acquisition of basic skills, such as writing, reading and simple arithmetics. The study also demonstrates that functional disturbances of the public education system may also be attributed to personnel, material and budgetary deficiencies within the network of schools. It is cause for concern that while the societal value and significance of learning and knowledge is on the increase not only in Hungary but on a global scale, the material and moral appreciation of knowledge transfer lags behind. In many instances some of the most successful educators leave the teaching profession. There are only a few male teachers; 82 percent of elementary school teachers are female. The unfavorable effects of this imbalance, as far as upbringing and disciplining are concerned, are well known. During the period 1980-85 more than 13,000 classrooms have been established. This is double the number of classrooms that were planned. This represents an extremely significant step. Councils spent 16 billion forints on the development of classrooms. In spite of this, however, in many places the conditions of learning have not improved; as a matter of fact, they have clearly deteriorated.

The government is making great efforts to improve the conditions of education, the state secretary added. At the same time, a close relationship between families and schools in the upbringing of the next generation is indispensable throughout the entire process of education and upbringing. The task consists not only of making the formal "passing" marks disappear, but also of developing a sense of duty during childhood, a respect for work and for knowledge. Our goal is to establish general conditions in which knowledge becomes a condition of personal success and advancement. And it is here that the previously mentioned economic tasks gain relevance. In our days it is worthwhile to acquire a complicated skill--perhaps more than one skill, because if economic conditions require occupational change, such changes cannot be realized with only semi-literate skilled or trained workers. Accordingly, cultural foundations must also be established already at the elementary school level, in order for us to meet world standards of

technological development and to create foreign demand for our products, by eliminating primitive packaging or manufacturing flaws. The new curriculum to be introduced in the lower grades of elementary education beginning in September is anticipated to accomplish all this. Incidentally, the other day the Education Committee of the National Assembly drafted several proposals which would enhance the important governmental work with respect to education.

Problems related to work discipline appropriately raise the need for the drafting of a new Labor Law, Banyasz responded to another question. The legislative program envisions the creation of such a law by 1990.

Regarding the foreign reception of the transformation of the Hungarian banking system, the spokesman stated that in their entirety the changes have been evaluated positively.

[MAGYAR NEMZET] The literary and cultural periodical TISZATAJ of Szeged has not been published for months. Could we learn something about the present status and future of this periodical?

[Answer] It is known that over the past few years, the publishers of TISZATAJ have decided to reorganize this publication. For this reason the periodical was not published during the second half of 1986. Consistent with the provisions of the new Press Law, toward the end of last year the Csongrad County Council made recommendations concerning the new composition of the periodical's editorial board. In agreement with the Council's recommendation, and based upon the provisions of implementation of the new Press Law, I have appointed the members of the editorial board of TISZATAJ. They are as follows: Jozsef Attila Award-winning author and director of the Somogyi Library of Szeged, Bela Toth as chairman of the Editorial Board, university docent dr. Marton Kaposi as editor-in-chief; literary historian dr. Andras Lengyel as deputy editor-in-chief. The members of the editorial board and associate editors have also received their appointments. Following the appointments, the working group began its duties. I was informed that a combined January-February, 1987 issue will appear in early March. Needless to say, the editors are working on future issues of the periodical as well.

Responding to another question, Banyasz emphasized that debates concerning public life that are reflected in the press are welcomed, and are being followed attentively, prepared to draw lessons. One should not dispute the right to err, and the right to show their tempers by those participating in the debate, the spokesman pointed out. The effectiveness of the controversies and the validity of opinions, however, are being diminished by the excessively personal tones which may be heard occasionally.

Finally, the Chairman of the Information Office reported on discussions with his Yugoslavian colleague, Federal Press Secretary Svetozar Durotovits.

[Answer] Among other matters we discussed the fact that press relations between the two nations could be increased, even though such relations had been extended substantially already. Certain possibilities related to improved television reception have been discussed also. So far as Yugoslavia is concerned, they will improve reception by for instance, building a relay station in areas inhabited by Hungarians. The formulation of a specific work program will be the subject of discussion among experts in the near future.

12995

CSO: 2500/235

WRITERS ASSOCIATION 'CRISIS' SAID TO CONTINUE

Association President's Speech

Budapest UJ TUKOR in Hungarian 15 Feb 87 p 23

[Speech given by Tibor Cseres, new president of the Writers Association, at the 11th National Peace Conference]

[Text] Respected Conference!

Considering the present crisis of the Writers Association, I do not think it would be superfluous--to the contrary: I think it is necessary--for me to announce that writers side with, and contribute to any objective that serves the purposes of the peace movement. I hold and enjoy the confidence of nine-tenth of the writers. Forty years ago it used to be a nice tradition that at the age of maturity, our most significant writers participated in the activities of the peace movement, even in an international context. These writers have faded from the battle lines--they have passed away. Were they alive, they would be close to 100 years old. Unfortunately, they are no longer with us. It would be a nice renewal of tradition if the best of writers, the most significant writers could once again participate in the activities of the peace movement, even in the international context, at least as far as they did 40 or 30 years ago.

Beyond this statement, you probably would be interested in hearing how the Hungarian Writers Association is going to recover from the crisis of confidence it is experiencing in the present critical situation. You do not know, you cannot know, because the press did not present this issue. In recent months a segment of the writers has issued a statement that was politically immature and not well thought out. This applies to our late November general meeting also. That meeting, however, should be qualified as something different than political indiscretion--it was a debate forum of a closed group, but there too, statements have been made that do not conform with the intent of the government. On occasion these statements contained insults.

The present crisis has evolved by virtue of the fact that these events were not presented to the public, only a few official notices appeared. In my present capacity as president of the Writers Association I have tried, and will make an attempt to find a peaceful evolution from this difficult situation. My first step was to issue a statement on behalf of the Presidium, a statement which I have sent to the various media, but one that has not been published, nevertheless. The substance of my statement was that henceforth, using the peculiar tools of literature, writers wish to pursue discourse over literary works, including those that pertain to social issues. They wish to do so in agreement with the government. They did not publish this statement of mine, but one newspaper editor responded to this unpublished statement through one of the western radio stations. He said that on my part, on our part, my statement was only a tactical step. Well, I thought, it was a good step forward, even if only a tactical step. But as far as my presidency is concerned, it is a strategic step; it should be viewed as a statement whose meaning has permanence. This did not take place.

In the future, it is my intent to find a way between the Writers Association and the government, one that eliminates conflict. I am confident that this path can be found--if it could not, I would not be optimistic in this respect. A few writers, 27 to be exact, had quit the Writers Association as a result of the grievances previously mentioned. Public opinion may be aware of this fact, again, most likely by way of western press reports only. So, 27 had quit the Writers Association. Most of them provided a justification for their action. From our viewpoint, the messages contained in their statements are reasonable. I believe that they should have patiently awaited the time when there is a possibility for peaceful evolution within the Writers Association. But just because they decided to quit, neither the president's nor most of the members' hearts are angered. And I, as president of the Writers Association, have one thing foremost on my mind: to enable their return, their acceptance without any bureaucratic red tape, with the most humane simplicity, with a simple handshake.

The membership of the Writers Association gladly joins in the purposes of the peace movement. A majority of the writers knows, and is familiar with the historic past of our country and of our people, our geographic situation. They also know the circumstances in which the future historic evolution will take place, and the manner in which our geography determines most of the decisions we make. They know that they must use a certain wisdom--in accord with the government, to help the government in its not so easy situation, through literary works, utilizing their skills in writing.

Writers Association Presidium's Statement

Budapest UJ TUKOR in Hungarian 15 Feb 87 p 23

[Text] On January 14, 1987 the Presidium of the Hungarian Writers Association has discussed the Association's present situation, as well as the immediate actions required for the renewal of work by the Association, for the implementation of the general meeting's decisions, with special attention to the improvement of the writers' working conditions and to the establishment of a creative environment.

The Presidium, enjoying the confidence of the membership and therefore on their behalf, endeavours to find a way by which the community of writers, in accord with the government and using its own peculiar means, could accept a larger share of the tasks in the service of, and in fulfilling our national program, as well as the purposes of reform policies that have socialist renewal as their aim, and of a democratic evolution that permeates the entire society. This satisfies the general intent expressed at the general meeting.
Presidium of the Hungarian Writers Association

UJ TUKOR Editor's Response

Budapest UJ TUKOR in Hungarian 15 Feb 87 p 23

[Text] We thank the President of the Writers Association for giving his permission to publish the statement he made at the peace conference. The editors of this paper share his belief that "it would be a nice renewal of tradition" if a larger number of today's writers would follow the examples of Gyula Illyes and Gyorgy Lukacs, of Tibor Dery and Laszlo Nemeth, as well as of all those literate Hungarians who have done their part, and are doing their part today in the interest of a more sensible and more secure international order, and thus in the interest of peace.

We should be glad to know that Tibor Cseres' responsible words recognize what served as a prime motive for those colleagues who had resigned, namely, that "a segment of the writers has issued a statement that was politically immature and not well thought out. This applies to our late November general meeting also." Any settlement of the affairs of the Writers Association must be founded on this recognition.

I repeat what I wrote in my letter of resignation (ELET ES IRONAIOM, No 3, 1987). At the time I spoke only "on my behalf", and now I am doing the same. At this time though, I feel that many will find attractive the wisdom with which Cseres speaks of Hungary's situation in his final passage. His preparedness to work with the majority of the Writers Association membership in 'help[ing] the government in its not so easy situation' is cause for joy. The emphasis on the term "majority", however, signals the hidden, but substantive contradiction.

Cseres makes the point that he speaks on behalf of the Presidium, but that the press did not publish his statement. He also complains that "one newspaper editor responded through one of the western radio stations to this unpublished statement. He said that on my part, on our part my statement was only a tactical step." Well, I happened to be that editor. As a matter of coincidence that befits a theatrical setting, I happened to be in London as a result of an invitation I had received several months before. Thanks to the organizational work of the Central Office of Information, based on an appointment scheduled weeks in advance, I happened to be the BBC's guest. It was then that they turned on the transmitter and that's where I heard Tibor Cseres' voice relayed from Budapest. And then I also heard the statement of the so-called Presidium.

Accordingly, I did not respond through a "western radio station" to an "unpublished" statement, instead I responded to a declaration that was broadcast by a western radio station, by using the same medium, expressing my opinion. In other words, I did not transfer our domestic squabbles to the London terrain, but because I felt that as long as the situation had come to this point, I might as well make my own statement.

My expressed opinion did not question Tibor Cseres' sincerity, of course. I do not have the slightest doubt regarding the sincerity with which this responsible writer-examiner of our national fate truly wishes to take part in the realization of reform policies aimed at socialist renewal. If at all, I may question whether all members of the Presidium share this intent. This is why it would have been good to know just how that statement came about. Did the entire Presidium agree that it wishes to function "in accord with the government"? And whether those, who unceasingly fired at those in "power" before - did they change their earlier views? Why don't they reveal this fact, just so as to calm us down? Alternatively, did those members reject the statement? If this is so, why are they silent concerning this not at all insignificant circumstance? The fact that there is contradiction behind this, and not a hidden contradiction at that, becomes apparent from the above two documents: according to the President, at the general meeting some "politically immature and not well thought out" statements have been made, but according to the Presidium, at that meeting there was a "general" manifestation of an intent to find an accord with the government. It is difficult to think of the future when one cannot clarify the past.

Regarding evolution, Tibor Cseres' benevolent approach once again deserves praise. If for nothing else, because he does not want to sweep under the rug the situation that has developed within the Association. Instead, quite appropriately, he qualifies that situation as critical. If what he has foremost on his mind is the return of those who had quit, with the most humane simplicity, with a simple handshake, then this is a noble gesture on his part. The central issue, however, revolves not around the Association membership of a group of writers that has quit, but rather around the Association's place and role in society. Tibor Cseres' gesture may be helpful in the process of clarification only if his personal commitment and endeavour manifest themselves in the framework of a new strategy of partnership, and only if his commitment and endeavours receive ideological, and not merely tactical support from the entire, or at least from a decisive majority of the Presidium.

Sandor Fekete

12995

CSO: 2500/254

POLITIKA COMMENTARY ON REAGAN'S ADDRESS

AU110900 Belgrade POLITIKA in Serbo-Croatian 6 Mar 87 p 2

[Aleksandar Nenadovic commentary: "Reagan's Admission"]

[Text] The findings of the Tower Commission about the Irangate affair have marked a turning point in the crisis which has put the White House under a siege so to speak. Has Reagan managed to break out of the siege and restore confidence by his speech on the evening before the last?

He has and he has not. In an attempt to blunt the harshness of the criticism, especially criticism aimed at his qualifications as a leader, this time he spared himself less. He admitted, for instance, that the attempt at the "strategic opening" toward the unidentified moderates in Iran had boiled down to arms sales to Khomeini's regime with a view to rescuing American hostages. The following dilemma has remained though: Did he approve of the unbecoming trade before it started in 1985, or only after others had contracted first deals in his name via an intermediary in Israel?

This could be a decisive question for the convincingness of the President's statement before the larger and more skeptical part of the public. However, there is no answer. The U.S. President says he does not remember. It remains now to be seen how this explanation will be accepted in further debates--as well as in the congressional and court investigations: As innocence without protection which makes forgiveness easier, or as an accusing proof of that "management style" which excludes the political rehabilitation of Reagan's presidency?

Obviously wishing for the former, the head of the White House exerted special efforts on the evening before the last in order to appear in front of the television cameras as unassuming as possible. Nevertheless, he was not explicitly repentant for what he did himself. He said that "there is no excuse" for the inglorious adventure with Iran, but that "there were reasons." The more radical critics probably expected more than that. They claimed that the head of state can restore some of the lost confidence only if he masters strength and says the following: "I have made a mistake, I am to blame."

This expectation has not been fulfilled. Although he knew that this is not the time for resistance and defiance, Reagan seems to have made himself believe that an unconditioned political repentance would push him to an impermissible humiliation. And, as the Czech master of the metaphor, Milan Kundera, put it, one "can escape from humiliation only upward."

Has Reagan managed to soar into politically safe heights by finally accepting "all responsibility" and refusing to explicitly admit having committed an offense? It was, as an American commentator has ironically put it, "a nice scene of the political theater," but it is still not certain now to what extent such rhetorics was politically efficient. After all, one should not forget that the Irangate investigation continues together with the crisis which, to put it mildly, is hampering the 40th U.S. President in the next-to-last year of his second term of office.

Under such circumstances, it might be sufficient to Reagan if he persuaded the public and Congress with his defense on the evening before last that he is meeting the demands of the criticism contained in the Tower Commission report. For, even by his failure to reject that criticism--criticism polite in style but politically pungent--should confirm that the U.S. President is stoically enduring the confrontation with the truth. Therefore, one can trust his political realism.

Of course, a speech, even the most successful one, cannot change the course of the investigation which is still under way. But it can change the mood. Even more so since the President--along with admitting the principled, functional responsibility--promises to change not only his own "management style," but also the organization and method of his staff, particularly its key part, the National Defense Council. Since it was precisely through this place that the American foreign strategy was mostly if not decisively given form, the announced changes could make it easier for Reagan to take advantage of some favorable foreign circumstances to help his rescue.

The most favorable circumstance is, of course, the readiness of the main partner, Mikhail Gorbachev, to sign a special agreement on dismantling the medium-range nuclear arms on European territory. The signing of such an agreement, along with the expected readiness on the part of the Congress to ratify it without much debate, would undoubtedly help Reagan's presidential career conclude even with some statesmanly splendor, despite the discouraging shadow of the Irangate.

For the time being, this is only a hope. But even that is not little after the nightmare the White House found itself because of the Irangate.

/12858
CSO: 2800/162

CROATIAN STUDY ON ELECTORAL SYSTEM POINTS TO CRISIS

Zagreb DANAS in Serbo-Croatian 10 Feb 87 pp 14-16

[Article by Milan Jajcinovic: "A Show of Democracy"]

[Text] Recently it was proudly announced in Tirana that the elections of delegates to the National Assembly of the People's Socialist Republic of Albania "had ended in complete success." All the voters went to polling places (1,830,653 of them were registered), and they all circled the names of the some 250 candidates. This refuted the first report that in one district only 99.9 percent of the voters voted and at the same time confirmed that this year's elections were more successful than previous ones. That is, in 1978 there was one voter who did not perform his duty (in 1982 everyone voted), and one (just as in 1982) voted against the candidate. This year there were none of that kind, and there were also fewer invalid ballots--only one.

Mirjana Kasapovic, MA, of the School of Political Science at Zagreb University cannot brag about such "results." In her research--as part of the scientific project entitled "The Functioning and Realization of the Delegate System"--electoral processes in Croatia, on the basis of a comparison to the results of elections in 1978 and 1982, in her study "Delegatski izbori 1978-1986" [The Delegate Elections 1978-1986] she has arrived at findings which indicate a crisis in the political participation of citizens both in electoral processes and in political life in general.

In answer to the question "Did you attend the pre-nominating and nominating meeting in which the candidates were discussed?" which was put to voters, all of 68.4 percent of the respondents in SR Croatia (and 78 percent in Zagreb) answered "no, not a single one," and only 16.6 percent, 12 percent of those in the city, took part in both. The greatest political abstinence in the pre-voting phases of the electoral procedure was recorded in Split (86 percent), and then in Zagreb, Osijek, and Pula (75 percent), and the least in Vrginmost (48 percent), Knin and Koprivnica (about 57 percent).

In spite of the high percentage of those abstaining, those who don't get involved in nominating anyone for anything, still the voter turnout was still very high. And although a majority of those voters give rational political arguments for their participation, recently there has been a "spread of 'loyalistic' civic consciousness and behavior." It is precisely in that pattern

of thinking that Mirjana Kasapovic finds the causes of political abstinence in the preliminary phases of the electoral procedure and the subsequent traditional large voter turnout. But this is only one of the patterns of thinking which she constructs, starting with the types of motivation for political participation. The others are: "ritual political thinking and behavior" and "rational political thinking and behavior."

"By civic loyalty and conformism," Mirjana Kasapovic says, "we mean a type of political thinking and behavior which are aimed above all at registering support for the existing legal order and also at avoiding moral, political, and social penalties which in the respondent's judgment would ensue if support were withheld. At the same time ritual political thinking and behavior refers to public manifestation of 'allegiance' to the present order because of the ideological and political premises on which it is built. The elections are only one of 'our things' which deserve public support. More often than one would ordinarily think, this type of political behavior also constitutes an act of political and public self-legitimization of the individual. Rational political thinking and behavior, by contrast, is manifested in an essential orientation toward support of candidates that will best mediate local (special) interests and in the legitimization of political decisionmaking in the institutions of the system."

Distribution of Power

Between 1978 and 1986 the loyalist-conformist behavior rose from 26 to 36.1 percent in the elections. But over the same period there was a drop in those who conceive elections as a ritual, a kind of rite, and something almost liturgical (from 21 in 1978 to 15.9 percent in 1986), and there was also a drop in the number of individuals who "go out to vote as a political act as a means of conveying the will of the voters so that the system can make legitimate decisions" (53 percent in 1978 and 48 percent in 1986). As shown by the survey, all of 30 percent of the voters in Croatia vote in order to discharge their duty as citizens, to doggedly discharge their obligation. Six percent of them are afraid of what would happen if they did not go out to vote. They are captives of the subconscious--probably shaped in times when the failure to drop the ballot in the ballot box could only be either "sabotage" or an act of masochism. Such times are fortunately behind us now. But recurrences are still with us. That is why loyalism and conformism are spreading. This type of thinking and behavior "are spreading markedly faster among citizens who are not particularly involved, who do not take political positions and are not members of the League of Communists." That is why all of 46 percent of the respondents who are not members of the party participate in elections on loyalistic and conformist grounds. And this is done out of the same motives by 27 percent of the citizens who are members of the LC, but do not hold any official position.

If something happened in our country similar to what happened in the recent parliamentary elections in the Federal Republic of Germany, our "ritualists" would probably see red. That is, "certain tricksters" hindered the conduct of the elections. Thus, in Tuebingen they used a strong glue on the doors of the voting places and the police together with the firemen were barely able to

open them. At the same time in Aachen, Muenster, and Kirchheim someone distributed letters to citizens that the elections were being postponed "until the 1st week when snow falls," and that the citizens would be informed about the new date of the elections where lottery tickets are sold. We have not yet had such pranks. Perhaps precisely because in a large number of our heads--especially the older ones--there is the attitude that elections are a kind of rite and ceremony. Incidentally, the flowers, the flags, and the patriotic songs are the most visible evidence of this. That is why the elections are often a show of democracy. There are times when they change less than they are expected to do.

The changes desired in Yugoslav society are bound up with the distribution of political power. The survey "Delegatski izbori 1978-1986" (comparative results) also concerned itself with the distribution of power. Political power ("influence on political processes and relations"; "influence of individual participants in the electoral process on its course and outcome") was tested here by the method of perception. The respondents were asked on the basis of their own experience to evaluate who had the greatest influence on electoral processes in their local community or work organization? It is evident from the answers that in local communities "power relations are not evident to most citizens and are becoming less and less transparent," and that the power is "anarchically" distributed. It also retains this "anarchic nature" in the work organization. Except that the power matrix in the work organization is much more transparent.

To What Extent Can Citizens Like You Influence Decisions in These Regional Communities?

<u>Degree of Influence</u>	<u>Local Community</u>		<u>Opstina</u>		<u>Republic</u>		<u>Federation</u>	
	<u>1982</u>	<u>1986</u>	<u>1982</u>	<u>1986</u>	<u>1982</u>	<u>1986</u>	<u>1982</u>	<u>1986</u>
None	13.5	20.2	26.3	35.6	41.9	61.1	49.4	69.6
Small	28.0	31.6	34.7	35.3	31.2	23.6	27.5	18.0
Moderate	37.9	34.7	27.8	23.8	17.5	12.3	14.4	9.9
Great	16.9	11.8	9.3	4.7	7.1	2.5	6.4	1.9
Very great	3.6	1.7	1.8	0.6	2.3	0.5	2.3	0.6

"The findings of the study of the matrix of social power in work organizations," Mirjana Kasapovic says, "confront researchers into electoral processes with a key problem: the essential discrepancy between the distribution of social power in everyday operation and conduct of the enterprise's business and the distribution of political power in the elections that take place in them. The first distribution is 'oligarchical,' and the latter 'anarchic.' Neither of them conforms to the normative pattern. But whereas the deviation of the real pattern from the normative pattern of distribution is anticipated in both cases, the question is why the present distribution of social power 'is not replicated' in the processes of electing delegates in the enterprise?"

Only a hypothetical explanation is possible at present. It runs like this: elections in work organizations are not an important political act for the

principal holders of social power. The decisions in the elections do not affect anything essential in present social relations, they do not disrupt the present structure of social power, nor do they enthrone any important new holders of influence in the processes of decisionmaking in the enterprise. Since the elections are marginal from the standpoint of the possibility of having any essential effect on power relations in the enterprise, the principal holders of power have not been very interested in imposing their influence in them.

Who Has the Last Word

There is no doubt that the perception of the most important problems to the community in a particular period of time also depends in large part on the division of social and political power. The future content of political processes and decisions of delegate institutions also depends on how these problems are seen. Present-day theoreticians consider precisely this "definition of reality" to be the starting point for the shaping of political determination. Up to now the "defining of reality" has been neglected in our country. The point of departure has been that the "here and now" is self-evident, that reality is "more or less transparent, that problems 'cry out' to everyone, and that it is only a question of 'taking account' and of putting them on the agendas of the most responsible bodies." Since the problematical nature of some segment of reality is quite visible and almost self-evident as a consequence of its presence, it is felt that "general consent or at least majority support for overcoming it are not in question, and execution of the political decision is only a matter of 'firm determination' and effective organization on the part of political and public entities." This mistake about what is self-evident and about consensus results in a "debatable legitimacy," i.e., the necessary public support cannot be obtained for making a decision because the problem has not been properly examined and identified. Mirjana Kasapovic clarifies this:

"Although procedurally valid--'legitimized by procedures'--the political decision does not enjoy general support, and its implementation is unfeasible, partially realizable, or feasible only by the use of coercion or threat of legal, political, moral, or other penalties. It is deeply ingrained in Yugoslav society to attribute the crisis of processes of political decisionmaking--a part of which is the phase of adoption and execution of the decision--to secondary or derived causes: to the 'technical' imperfection of the legal and political institutions which ought to guarantee the execution of political decisions, to the 'tactical' oversights in the strategy for public mobilization of citizens, or, for example, to the insufficiencies of the region with respect to civilization and culture. Rarely is it publicly admitted that the political decision is not an expression of the political will of a majority of the members of the community--either in its content or in its solution."

<u>Elections Are:</u>	<u>1978</u>	<u>1982</u>	<u>1986</u>
A serious and democratic act	57.0	49.9	39.8
A formalistic procedure	18.0	22.1	27.9
A rigged undemocratic act	9.0	9.1	11.4
No assessment	16.0	18.9	20.9

How Would You Evaluate Your Personal Interest in the Recent Elections in Your Local Community and Work Organization?

Interest	Local Community			Work Organization		
	1978	1982	1986	1978	1982	1986
I was very interested	32.0	20.9	16.8	41.0	33.2	23.8
I was fairly interested	49.0	54.5	51.0	47.0	50.7	52.8
I was indifferent	19.0	24.6	32.2	12.0	16.1	23.4

The discrepancy in evaluation of individual problems of the community is notable at the opstina level, but also at the republic and federal level. The respondents identified as the most important social problems in opstinas social welfare issues (27.3 percent), economic development (21.4 percent), the infra-structural complex (14 percent), and self-management and delegate relations (13.1 percent). But this ranking is rarely respected in opstinas, since "political decisions of the system aimed at the system itself--the way it is set up, setting its standards and financing it--constitute a third of all opstina political decisions," which means that the system is "greatly preoccupied with producing decisions on self-reproduction." Much the same is true of decisions in the republic assembly and SFRY Assembly, and the question arises once again of who is actually evading the needs and demands of the delegate base and at the same time imposing political content (and then also the decisions) regardless of its interest? It turned out that the executive-political and administrative structures of opstina assemblies have great influence, that they usually have the last word. What they say is respected in all stages of the decision-making process, but certainly the most decisive thing is what happens in its initial stage, in the very "defining of the problem," which in such a case can by no means become the starting point for the political will of a majority of the community's members.

The Critical Analysis of the Functioning of the Political System of Socialist Self-Management will neither overcome nor do away with the crisis of political decisionmaking, although it had such ambitions. The survey of the delegate elections in 1978 and 1986 have shown that the Critical Analysis...came into conflict with reality and it came away from that collision ("the methodic starting point") "between the ideological model of the electoral (and delegate) system and its real implementation, the political criticism in the Critical Analysis...ends up in radical denunciation of reality. All the difficulties, shortcomings, and discrepancies are mainly the consequence of the undesirable and unplanned reactions of the participants in a political process: the insufficient political preparations of those who bear responsibility in official positions, improper political mobilization of citizens, the usurping of democratic rights, failure to respect the delegate principles and relations, independence on the part of political officialdom, excessive emphasis on the technical aspect of political procedures, and so on. Finally, all of these reactions--and this is an essential starting point for getting out of the crisis--can be corrected through political mobilization, through the will and activity of participants in the process and the system. The political portrayal of reality in the Critical Analysis...is to some extent mediated through reproaches of the normative model of the electoral system, but these

reproaches are also an expression of the belief that the ideological intentions, i.e., the 'essence of the delegate system,' have been badly interpreted and operationalized in the legislation. In this entire analysis the ideological projection or model of the electoral system remains untouched. It is innocent as far as reality is concerned." That precisely accounts for the extreme significance of what the study "Delegatski izbori 1978-1986" makes evident, especially the assertion: "By contrast with the Critical Analysis..., the source of the crisis of the electoral system is not shown to be the improper operationalization and functioning of individual institutions, establishments or the mechanism of the electoral procedure, but rather the utter upheavals and cracks in the fundamental structural elements of the political electoral process: the citizens' interests, participation, understanding, influence, and orientation as to political values.

One of the virtues of the study by Mirjana Kasapovic is the fact that it has directed the searchlight of its sound criticism on these things. Its light has also elucidated the truth that we have "Albanian" behavior even in our country. That is, there is no shortage of "loyal" conformists in our country either. There are simply fewer of them.

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CSO: 2800/138

REPORTAGE ON SIXTH LCY CENTRAL COMMITTEE SESSION

Technological Development Discussed

AU102300 Belgrade BORBA in Serbo-Croatian 24 Feb 87 pp 3, 4

[Group of correspondents report on the Sixth LCY Central Committee session held in Belgrade on 23 February]

[Excerpts] Speaking about rapid developments in science and technology which are responsible for the 50 percent of the economic growth of the most developed countries and for more than 85 percent increase in productivity, the first speaker in the debate, Ante Markovic, stressed that one should above all examine the conditions in which our country should implement the strategy of technological development.

The Technological War of the Big

Having said that technological development has become the imperative for the present development and that, judging everything, this will be one of the most important characteristics of the trends and confrontations in international relations before the 21st century, Lazar Mojsov said that the influence of technology on changes not only in the forms of production and economic relations but also on changes in social superstructure and sociopolitical and socioeconomic relations is clearly expressed. As science and technology can help mankind solve major problems with which the whole world is today burdened, so can they be in the service of one's desire to attain narrow and egoistic economic interests and achieve advantage in all kinds of bloc rivalry.

In that context Mojsov warned that the current trends are pointing toward this kind of danger because the tendencies for the formation of technological groupings which follow the known bloc logic of divisions and confrontations based on the existing ideological and technological divisions are becoming more and more pronounced.

The developed countries of the West and East are trying to gain new global advantages before the 21st century through the development programs of the so-called Star Wars and Eureka or through the CEMA's integral system which in addition to their peace-loving nature undoubtedly have their military aspects.

All this, said Mojsov, increases the danger of the further deepening of the gap between the developed and developing countries and makes the fear real that the UN aim to narrow this gap will be let down.

Stipe Suvar said that adopting the strategy of technological development represents a serious challenge not only for the Central Committee and the LCY, but also for all the productive and creative forces of society.

Pointing out that changes in the production process, education, and science--as demanded by the technological revolution--will also lead to changes in consciousness, primarily in class consciousness, Suvar said that this would demand that the LC to take more care about these changes and their consequences. Stressing also the damaging character of the tendencies which advocate the so-called cultural pessimism--which means that they are rejecting science and technology as was found in documents of several cultural and art societies--as well as the tendencies that favor technological optimism which represents a vulgar technical determinism, tendencies that claim that science and technology will lead us into postmodernism and a civilized society and that this is the only thing that guarantees the alienation of man, Suvar said that the LC should get seriously involved with the questions of technological progress and everything that this progress is going to bring about.

Speaking about the social consequences of the so-called technological changes, Suvar said that they will raise questions relating to the organization of work, changes in decisionmaking, employment, and the activity of subjective forces, particularly the LC and the SAWP.

Brigic Address

AU102301 Belgrade BORBA in Serbo-Croatian 25 Feb 87 p 4

[Group of correspondents report on the afternoon session of the LCY Central Committee held in Belgrade on 23 February]

[Excerpts] Continuing its session the Central Committee adopted a text of the stands on the activity of communists in the Socialist Alliance, on which a 3-month debate was conducted. The stands and the assessment of the public debate were explained by Franc Setinc, member of the LCY Central Committee Presidium.

This evening members of the Central Committee adopted conclusions regarding the ideopolitical activities and action readiness of the basic organizations and organs in the LC in realizing the resolutions of the 13th LCY Congress. The conducted discussion (only 6 months after the congress) about how to realize the strategic orientations and congress resolutions reflects the resoluteness of the LCY Central Committee to work toward the more consistent implementation of the established policy, said Ivan Brigic, member of the LCY Central Committee Presidium, in his introductory speech about the draft conclusions. Brigic said that the assessment that expected results

in overcoming the current crisis have not been achieved despite invested efforts and some positive processes, requires the LC to organize and prepare itself for a more productive mobilization of all creative forces without any delay.

Continuing his speech, Brigic said that these conclusions insist on the consistent application of the principles of democratic centralism as well as on strengthening the obligation and responsibilities of all LCY organs and of the LCY Central Committee in particular.

At their session this evening, the LCY Central Committee members adopted the program of the LCY Central Committee work which was discussed at the previous session. Meanwhile this document was also discussed by the central and provincial committees of the LC and by the Committee of the LC Organization in the Army.

The members of the Central Committee today also approved the decision for the founding of LCY Central Committee Center for Social Research.

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CSO: 2800/162

SOVIET SPANISH WAR VETERANS PROTEST TO BORBA

AU111317 Belgrade BORBA in Serbo-Croatian 23 Feb 87 p 2

[Letter by Soviet veterans of the Spanish Civil War: "Volunteers: Knights of Ideals"]

[Text] Esteemed comrade editor,

We are former Soviet volunteers who fought in Spain against fascism.

We have learned with indignation that an article appeared in BORBA in which the author tried to cast a shadow over our country's policy and to deny our help to the Spanish Republic. What is involved is Luka Miceta's article "The Knights of Ideals and La Nine." This article neglects our honor and the honor of our fatherland. The article offends the memory of those who were killed in the first battles against the black plague, among them Yugoslav communists too. We fought for the right cause, comrade editor.

We hope that you will find the possibility and publish our letter and dissociate yourself from anti-Soviet fabrications.

Yours respectfully,

Former Soviet volunteers, participants in the national-revolutionary war in Spain 1936-1939.

A. Osipenko, hero of the Soviet Union, lieutenant general of the Air Force;
A. Kruchenikh, rear admiral; A. Nikolayev, colonel; P. Ludvig, lieutenant commander, engineer; V. Aleksandrovskaia.

[There follows an editorial note published in italics:]

Explanation of the editorial board: The article 'The Knights of Ideals and La Nine' was published on 21 October 1986 on the occasion of the anniversary of the Spanish Civil War, which BORBA marked with the proper consideration with several articles, interviews, and remembrances of participants in the struggles for the Spanish Republic.

The article to which the five Soviet volunteers (according to the 'Big Soviet Encyclopaedia' over 2,000 of them fought in the Spanish War) have objections, quotes parts of Hernandez's book 'Republican Spain and the USSR' in which this famous Spanish revolutionary presents his views and criticism of Stalin's foreign policy tactics, not only during the 1936-1939 period but later as well.

With respect for the Soviet volunteers' contributions to the struggles for the Spanish Republic, as well as for the contribution of all members of the international brigades--about 40,000 of them--we are sorry that a part of the above-mentioned article provoked undesired interpretations and feelings. For, the Spanish republic has gone down in history as one of the brightest points of the international workers' and communist movement. Our aim was and will remain to help this be remembered.

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CSO: 2800/162

PRESS INTERVIEWS, ARGUES WITH KOSOVO WRITER

AU101512 [Editorial Report] Ljubljana DELO in Slovene on 19 February on page 5 carries a 2,500-word report by Slobodan Dukic on an interview with Kosovo writer Rexhep Qosja. Belgrade BORBA in Croatian on 25 February on page 13 carries a 1,200-word excerpts from the DELO interview; BORBA on 28 February-1 March on page 2 carries a 2,000-word article by Professor Dr Sejfedin Sulejmani attacking Qosja; and BORBA on 7-8 March on page 2 carries a 1,000-word article by Husnija Bitic, of Zemun, disagreeing with some points made by Sulejmani.

The original DELO interview is carried in the literary section which appears every Thursday and is entitled: "About Current Issues From the Albanian Side: Public Discussions Cannot Be Determined and Resolved By Decree." Referring to Albanians in Macedonia, the interview contains the following passage, attributed to Qosja:

"If place, names, personal names, and popular songs, are a cultural fact of the cultural traditions of a people--in this case the Albanian people--we may say that to force the Albanians to write Macedonian geographic names the way they are written in Macedonian even when they write in Albanian, to proclaim some historical, cultural-historical, and other Albanian personal names as undesirable, and to ban 570 out of 600 Albanian popular songs in fact means a restriction of Albanian rights in that republic, rights ensured by the SFRY Constitution."

In reply to a question about "the relationship between politics and the intelligentsia," Qosja is quoted as saying:

"The attitude of politics toward the intelligentsia in Kosovo is dogmatic, stiff, haughty, and often even rude by tradition. We could list a number of examples of what I could be reproached for and will be reproached for because of the things I am telling you. The majority of the politicians are extremely reluctant to communicate with intellectuals (except with those who loudly agree with them, the careerists and the calculating ones) and the reason is not only that some of them fear knowledge. Say, 2 or 3 months ago, a group of scientific workers asked to be received in the LC Provincial Committee because of an Albanological study project which has run for years, but they have not been received yet. An academician, an LC member, some time ago wanted to talk with somebody in the Kosovo

Presidency because of the difficulties he had. But nobody there, nor in the LC Provincial Committee, either, wanted to receive him. Some academicians must wait for weeks in offices. Why is it so? Because the contacts of politics with the intelligentsia are limited to: 'We are telling you.'"

These are among the passages omitted in the BORBA version of 25 February. The ZERI I POPULLIT version (filed as referent item) on 5 March in turn excerpts the BORBA version, omitting a further passage on Albanian names and popular songs, and a passage on the Slovene cultural area which alludes to a common Albanian cultural tradition in Albania and in Kosovo.

Sulejmani in his article in BORBA on 28 February-1 March entitled "One Knows Whose Ex It Is" says that "Qosja is so enveloped in the damnation of nationalistic darkness that he does not know that the name Arben is opprobious to everybody except himself and those who think like he, but he probably knows that an ax is wielded against all our achievements and the creative power of our socialist revolution only by nationalism." He wonders if Qosja "has lost his ability to see" to such an extent that he cannot see the many publications and scientific activities in Kosovo and "in all the places of our country where the Albanian nationality lives."

Sulejmani says that "Qosja would do to better speak more about Kosovo than Macedonia. How is it possible that he sees the geographic names in Macedonia, but does not see the emigration of Serbs and Montenegrins, a great drama that is running in front of the 'academician?'" Qosja is said to be "slanderosly" accusing Macedonia of banning some Albanian names without presenting any evidence. "Qosja was a frequent guest in Enver's Albania and probably he saw there how an Albanization is carried out of all the names and surnames of the non-Albanian population in Albania."

"Rexhep Qosja should know that the language he uses is to a great extent identical with the language of the ideological counterrevolution which preceded the 1981 events in Kosovo," Sulejmani concludes.

In her reply in BORBA on 7-8 March, Husnija Bitic under the title "An Ax With An Ax" says that she does "not want to polemicize with Sulejmani because everybody has the right to his own opinion," but "criticism must be backed with arguments and controlled." Referring to Sulejmani's opprobrium at the name Arben, Bitic asks: "How has he got the right to classify friends and enemies? Does Sulejmani know that he may be criminally prosecuted?" She declares that she does not mind the name Arben, but "I am not one who thinks like Qosje, I do not think like Sulejmani, and I am not an enemy of my country, socialist Yugoslavia. Sulejmani, however, calls everybody who does not mind the name Arben an enemy."

Concerning geographical and personal names in Macedonia, Bitic cites a session of the LC Communal Committee of Tetovo on 7 February at which some names were called "hostile slogans," and states that Radio Skopje in Albanian has "in the recent years" been using Macedonian place names. "In one respect I agree with Sulejmani: No irredentist song is on radio programs; but he should have cited some of them and said who makes the selection," Bitic states.

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